

**SCHOOL DISTRICT OF THE  
BOROUGH OF RAMSEY  
COUNTY OF BERGEN, NEW JERSEY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2013**

**School District  
of**

**Ramsey**

**RAMSEY BOARD OF EDUCATION  
Ramsey, New Jersey**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2013**

# Comprehensive Annual Financial Report

of the

**RAMSEY BOARD OF EDUCATION**  
**Ramsey, New Jersey**

**Year Ended June 30, 2013**

**Prepared by**

**Robert J. Marcotulli**  
**Assistant Superintendent-Business/Board Secretary**

## OUTLINE OF CAFR

### INTRODUCTORY SECTION

Letter of Transmittal .....	1
Organizational Chart .....	5
Roster of Officials .....	6
Consultants and Advisors .....	7

### FINANCIAL SECTION

Independent Auditor's Report .....	8
Required Supplementary Information - Part I Management's Discussion and Analysis .....	12

### BASIC FINANCIAL STATEMENTS

#### A. District-wide Financial Statements:

A-1 Statement of Net Position .....	25
A-2 Statement of Activities .....	26

#### B. Fund Financial Statements:

##### Governmental Funds:

B-1 Balance Sheet .....	27
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances .....	28
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	29

##### Proprietary Funds:

B-4 Statement of Net Position .....	30
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position .....	31
B-6 Statement of Cash Flows .....	32

##### Fiduciary Funds:

B-7 Statement of Fiduciary Net Position .....	33
B-8 Statement of Changes in Fiduciary Net Position .....	34

Notes to the Financial Statements .....	35
---	----

#### Required Supplementary Information - Part II

## OUTLINE OF CAFR

### C. Budgetary Comparison Schedules:

C-1	Budgetary Comparison Schedule - General Fund .....	61
C-1a	Not Applicable	
C-1b	Not Applicable	
C-2	Budgetary Comparison Schedule - Special Revenue Fund .....	66

#### Notes to the Required Supplementary Information

C-3	Budget-to-GAAP Reconciliation .....	67
-----	-------------------------------------	----

#### Other Supplementary Information

### D. School Level Schedules:

Not Applicable

### E. Special Revenue Fund:

E-1	Combining Schedule of Program Revenues and Expenditures - Budgetary Basis .....	68
E-1a	Combining Schedule of Program Revenues and Expenditures - Budgetary Basis .....	69
E-1b	Combining Schedule of Program Revenues and Expenditures - Budgetary Basis .....	70
E-2	Not Applicable	
E-3	Not Applicable	

### F. Capital Projects Fund:

F-1	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis .....	71
F-1a	Schedule of Project Revenues, Expenditures, Project Balances and Project F-1i Status - Budgetary Basis .....	72
F-2	Summary Statement of Project Expenditures .....	84

### G. Proprietary Funds:

#### Enterprise Fund:

G-1	Combining Statement of Net Position .....	85
G-2	Combining Statement of Revenues, Expenses and Changes in Fund Net Position .....	86
G-3	Combining Statement of Cash Flows .....	87

## OUTLINE OF CAFR

Internal Service Fund:

Not Applicable

### H. Fiduciary Funds:

H-1	Combining Statement of Fiduciary Net Position .....	88
H-2	Combining Statement of Changes in Fiduciary Net Position .....	89
H-3	Student Activity Agency Fund - Schedule of Receipts and Disbursements .....	90
H-4	Payroll Agency Fund - Schedule of Receipts and Disbursements .....	91
H-5	Contributions Pledged to Specific Awards .....	92

### I. Long-Term Debt:

I-1	Schedule of Serial Bonds .....	93
I-2	Not Applicable	
I-3	Debt Service Fund Budgetary Comparison Schedule .....	94

### J. Statistical Section (Unaudited)

#### Financial Trends

J-1	Net Position by Component .....	95
J-2	Changes in Net Position .....	96
J-3	Fund Balances - Governmental Funds .....	98
J-4	Changes in Fund Balances - Governmental Funds .....	99
J-5	General Fund Other Local Revenue by Source .....	101

#### Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property .....	102
J-7	Direct and Overlapping Property Tax Rates .....	103
J-8	Principal Property Taxpayers .....	104
J-9	Property Tax Levies and Collections .....	105

#### Debt Capacity

J-10	Ratios of Outstanding Debt by Type .....	106
J-11	Ratios of General Bonded Debt Outstanding .....	107
J-12	Direct and Overlapping Governmental Activities Debt .....	108
J-13	Legal Debt Margin Information .....	109

## OUTLINE OF CAFR

### Demographic and Economic Information

J-14	Demographic and Economic Statistics .....	110
J-15	Principal Employers .....	111

### Operating Information

J-16	Full-time Equivalent District Employees by Function/Program .....	112
J-17	Operating Statistics .....	113
J-18	School Building Information .....	114
J-19	Schedule of Allowable Maintenance Expenditures by School Facility .....	115
J-20	Insurance Schedule .....	116

### K. SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	117
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and N.J. OMB Circular Letter 04-04 .....	119
K-3	Schedule of Expenditures of Federal Awards - Schedule A .....	122
K-4	Schedule of Expenditures of State Financial Assistance - Schedule B .....	123
K-5	Notes to the Schedules of Awards and Financial Assistance .....	125
K-6	Schedule of Findings and Questioned Costs .....	127
K-7	Summary Schedule of Prior Audit Findings .....	129

## INTRODUCTORY SECTION



**RAMSEY BOARD OF EDUCATION**  
**RAMSEY PUBLIC SCHOOLS**  
266 East Main Street  
Ramsey, NJ 07446  
Ph. (201) 785-2300

MATTHEW J. MURPHY, Ed.D.  
SUPERINTENDENT OF SCHOOLS

ROBERT J. MARCOTULLI  
ASSISTANT SUPERINTENDENT-BUSINESS  
BOARD SECRETARY

November 22, 2013

Honorable President and  
Members of the Board of Education  
Ramsey School District  
County of Bergen, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Ramsey School District for the fiscal year ending June 30, 2013, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, the management's discussion and analysis, and the financial statements and notes. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** Ramsey School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement #34. All funds and account groups of the District are included in this report. The Ramsey School District Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. During

the 2012-2013 fiscal year, the average daily enrollment of 2,977 students is 47 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

### Enrollment Data

Fiscal Year	Average Daily Enrollment	% Change
2012-2013	2,977	-1.55%
2011-2012	3,024	-1.08%
2010-2011	3,057	-1.45%
2009-2010	3,102	-0.19%
2008-2009	3,108	-0.73%
2007-2008	3,131	0.17%
2006-2007	3,126	2.02%
2005-2006	3,064	1.36%
2004-2005	3,023	2.41%
2003-2004	2,952	2.39%
2002-2003	2,883	3.19%

**2. ECONOMIC CONDITION AND OUTLOOK:** The Ramsey community is essentially developed to almost capacity. The increase in ratables during the past decade has slowed as a result of a decline in new construction. As of 2006, there were only 31.0 acres of vacant land in the borough. As a result, the ratable base is not expected to increase significantly.

As a suburb of the New York Metropolitan area, the region has seen an increase of 1.8% in the consumer price index for the year ending June, 2013.

**3. MAJOR INITIATIVES:** The 2012-2013 school year saw several new projects and initiatives that deserve mention.

The District continued with a major 21<sup>st</sup> Century learning initiative that drives our curriculum and professional development plan. The Administrative Council led a district-wide intensive professional development program involving the design and evaluation of lessons that promote critical thinking and problem-solving, aligned with the Common Core State Standards. In addition, a cadre of teachers representing all of the District's schools attended a series of workshops at the Madison Institute on designing performance assessments to foster 21<sup>st</sup> Century skills development. The Council also finalized a set of 21<sup>st</sup> Century learning outcomes, "*A Ramsey Student Will...*" that reflect several years of research by the District's leadership team. The District's steering committee of administrators and teachers continue to oversee the implementation of this initiative and recommend both staff development and curricular materials to the Superintendent of Schools. Funds are being used to support professional development activities related to this important learning initiative.

The District continued to move forward with its technology initiative, including major upgrades to the District's wireless network capabilities, a new security system, and a 1:1 iPad initiative. The

District successfully implemented the eighth grade 1:1 iPad pilot and provided significant professional development to prepare the high school staff for the transition of iPads to grade nine. The Director of Curriculum initiated a K-12 Mobile Technology Committee, comprised of 40 teachers and administrators, who researched technology applications and innovative educational practices and made recommendations to the Superintendent of Schools and Board of Education regarding the District's iPad initiative and funding for professional development.

The District Evaluation Advisory Committee (DEAC) continued to guide and monitor the implementation of the new Teacher Evaluation instrument. Budget dollars were used to purchase the Stronge evaluation system, the OASYS data base, and to fund professional development to support the requirements of the State mandate.

**4. INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the District is protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

**5. BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2013.

**6. CASH MANAGEMENT:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from

loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

7. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

8. **OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkottz, Cerullo & Cuva, P.A. was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendment of 1996 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

9. **ACKNOWLEDGEMENTS:** We would like to express our appreciation to the members of the Ramsey School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

Respectfully submitted:

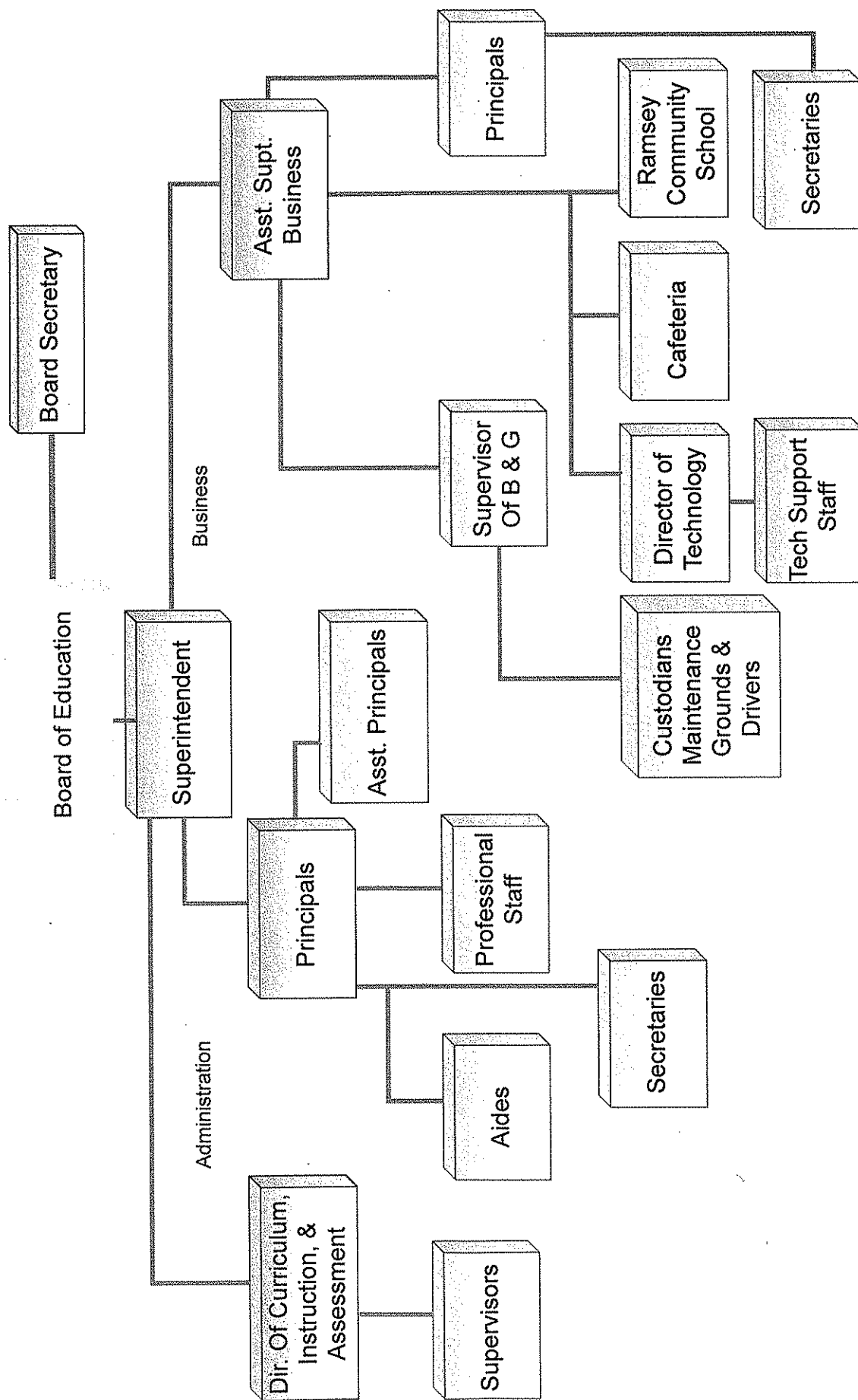


Matthew J. Murphy, Ed.D.  
Superintendent of Schools



Robert J. Marcotulli  
Assistant Superintendent-Business/Board Secretary

# Ramsey Public Schools



**RAMSEY BOARD OF EDUCATION  
BERGEN COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2013**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Anthony Gasparovich, President	2014
Laura E. Genovese Behrmann	2014
Timothy Finnegan	2016
Mae Fine	2015
James Meiman	2014
Claudia Monteith	2016
Richard S. Muti	2015
David Rockefeller	2015
Carrie Williams	2016

**Other Officials**

Bruce Deyoung, Interim Superintendent of Schools

Robert J. Marcotulli, Assistant Superintendent-Business Administrator/Board Secretary

Robert M. Jacobs, Esq., Solicitors

**RAMSEY BOARD OF EDUCATION**

**CONSULTANTS AND ADVISORS**

**Architect**

Selected as needed

**Audit Firm**

Ferraioli, Wielkottz, Cerullo & Cuva, P.A.  
401 Wanaque Avenue  
Pompton Lakes, NJ 07442

**Attorney**

Robert M. Jacobs, Esq.  
Winne, Banta, Hetherington  
Basralian & Kahn, P.C.  
Court Plaza South - East Wing  
21 Main Street  
P.O. Box 647  
Hackensack, NJ 07602

**Official Depositories**

TD Bank, N.A.  
Lake Street  
Ramsey, NJ 07446

## FINANCIAL SECTION



# Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkottz, CPA, RMA  
James J. Cerullo, CPA, RMA  
Paul J. Cuva, CPA, RMA  
Thomas M. Ferry, CPA, RMA

Certified Public Accountants  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442  
973-835-7900  
Fax 973-835-6631

Newton Office  
100B Main Street  
Newton, N.J. 07860  
973-579-3212  
Fax 973-579-7128

## INDEPENDENT AUDITOR'S REPORT

The Honorable President and  
Members of the Board of Education  
Borough of Ramsey School District  
County of Bergen, New Jersey  
Ramsey, New Jersey

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Borough of Ramsey Board of Education's management. Our responsibility is to express opinions on these financial statements based on our audit.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Ramsey Board of Education, in the County of Bergen, State of New Jersey, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Budgetary Comparison Information on pages 12 - 24 and 61 - 67 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Ramsey Board of Education's basic financial statements. The other supplementary information listed in the table of contents and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 and the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplemental information listed in the table of contents and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of federal financial awards and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information listed in the table of contents, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2013 on our consideration of the Borough of Ramsey Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to

Honorable President and  
Members of the Board of Education  
Page 4.

describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough of Ramsey Board of Education's internal control over financial reporting and compliance.



Steven D. Wielkottz, C.P.A.  
Licensed Public School Accountant  
No. 816



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 22, 2013

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED**

As management of the Borough of Ramsey School District (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the Borough of Ramsey School District for the fiscal year ended June 30, 2013.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

**FINANCIAL HIGHLIGHTS**

In total, net position increased \$3,372,190. Net position of governmental activities increased \$3,397,785 while net assets of business-type activity decreased by \$25,595.

General revenues accounted for \$58,315,319 in revenue or 97 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$1,813,380 or 3 percent of total revenues of \$60,128,699.

The School District had \$56,026,496 in expenses related to governmental activities; only \$1,121,693 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$58,302,588 were adequate to provide for these programs.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**USING THIS ANNUAL REPORT**

This discussion and analysis are intended to serve as an introduction to the Borough of Ramsey School District's basic financial statements. The Borough of Ramsey School District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-Wide Financial Statements**

The *district-wide financial statements* are designed to provide readers with a broad overview of the Borough of Ramsey School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Borough of Ramsey School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough of Ramsey School District is improvement or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Borough of Ramsey School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Borough of Ramsey School District include instruction, support services and special schools. The business-type activities of the Borough of Ramsey School District include the food service program.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough of Ramsey School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Borough of Ramsey School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Borough of Ramsey School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund which are all considered to be major funds.

The Borough of Ramsey School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.



**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**USING THIS ANNUAL REPORT, (continued)**

**Proprietary Funds**

The Borough of Ramsey School District maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Borough of Ramsey School District uses enterprise funds to account for its food service program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

**Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Borough of Ramsey School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the district-wide and fund financial statements.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS**

The Statement of Net Position provides the perspective of the District as a whole. Net position may, over time, serve as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets and the depreciation of capital assets.

The School District's net position was \$25,197,632 at June 30, 2013 and \$21,825,442 at June 30, 2012, respectively. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2013 compared to 2012 (Table 1) and change in net position (Table 2) of the School District.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Table 1**

**Net Position  
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Assets</b>						
Current and Other Assets	11,368,043	10,608,610	250,229	280,564	11,618,272	10,889,174
Capital Assets	<u>36,109,438</u>	<u>35,363,837</u>	<u>34,829</u>	<u>51,739</u>	<u>36,144,267</u>	<u>35,415,576</u>
Total Assets	<u>47,477,481</u>	<u>45,972,447</u>	<u>285,058</u>	<u>332,303</u>	<u>47,762,539</u>	<u>46,304,750</u>
<b>Deferred Outflows:</b>						
Unamortized Bond Issuance Costs	<u>155,184</u>				<u>155,184</u>	
Total Deferred Outflows	<u>155,184</u>				<u>155,184</u>	
<b>Liabilities</b>						
Current Liabilities	2,811,756	2,724,696	19,561	41,211	2,831,317	2,765,907
Noncurrent Liabilities	<u>18,636,955</u>	<u>21,713,401</u>			<u>18,636,955</u>	<u>21,713,401</u>
Total Liabilities	<u>21,448,711</u>	<u>24,438,097</u>	<u>19,561</u>	<u>41,211</u>	<u>21,468,272</u>	<u>24,479,308</u>
<b>Deferred Inflows:</b>						
Unamortized Bond Issuance						
Premiums	<u>2,165,104</u>				<u>2,165,104</u>	
Total Deferred Inflows	<u>2,165,104</u>				<u>2,165,104</u>	
<b>Net Assets</b>						
Net Investment in Capital Assets	17,432,803	14,640,354	34,829	51,739	17,467,632	14,692,093
Restricted	7,794,779	6,911,478			7,794,779	6,911,478
Unrestricted	<u>(295,447)</u>	<u>(17,482)</u>	<u>230,668</u>	<u>239,353</u>	<u>(64,779)</u>	<u>221,871</u>
Total Net Position	<u>24,932,135</u>	<u>21,534,350</u>	<u>265,497</u>	<u>291,092</u>	<u>25,197,632</u>	<u>21,825,442</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Table 2 below shows the changes in net position for fiscal year 2013 compared to 2012.

**Table 2  
Changes in Net Position  
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and						
Sales			597,772	692,178	597,772	692,178
Operating Grants and						
Contributions	1,121,693	1,123,278	93,915	97,522	1,215,608	1,220,800
General Revenues:						
Taxes:						
Property taxes	50,087,164	49,511,517			50,087,164	49,511,517
Federal and State Aid not						
Restricted	6,819,525	5,454,640			6,819,525	5,454,640
Federal and State Aid -						
Capital Outlay	5,400				5,400	
Tuition Received	1,329,177	1,510,925			1,329,177	1,510,925
Miscellaneous Income	61,106	57,776	12,706		73,812	57,776
Investment Earnings	<u>216</u>	<u>185</u>	<u>25</u>	<u>      </u>	<u>241</u>	<u>185</u>
Total Revenues and Transfers	<u>59,424,281</u>	<u>57,658,321</u>	<u>704,418</u>	<u>789,700</u>	<u>60,128,699</u>	<u>58,448,021</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
<b>Functions/Program Expenses</b>						
Instruction:						
Regular	21,847,647	21,268,865			21,847,647	21,268,865
Special Education	4,651,567	4,590,023			4,651,567	4,590,023
Other Special Instruction	924,521	925,934			924,521	925,934
Other Instruction	1,099,984	1,055,248			1,099,984	1,055,248
Support Services:						
Tuition	2,336,364	2,988,157			2,336,364	2,988,157
Student & Instruction						
Related Services	7,733,785	7,124,675			7,733,785	7,124,675
General Administrative						
Services	1,247,047	1,295,683			1,247,047	1,295,683
Central Services	538,395	540,506			538,395	540,506
Administrative Info. Tech.	17,460	17,460			17,460	17,460
School Administrative						
Services	2,177,689	2,320,494			2,177,689	2,320,494
Plant Operations and						
Maintenance	4,792,863	4,837,580			4,792,863	4,837,580
Pupil Transportation	1,350,075	1,515,917			1,350,075	1,515,917
Unallocated Benefits	5,163,141	4,082,254			5,163,141	4,082,254
Capital Outlay-						
Non-depreciable		6,230				6,230
Interest on Long-Term Debt	664,734	630,270			664,734	630,270
Unallocated depreciation	1,603,072	1,215,320			1,603,072	1,215,320
Capital Lease Obligation and						
Amortization	(121,848)	1,204,483			(121,848)	1,204,483
Food Service			<u>730,013</u>	<u>809,196</u>	<u>730,013</u>	<u>809,196</u>
Total Expenses	<u>56,026,496</u>	<u>55,619,099</u>	<u>730,013</u>	<u>809,196</u>	<u>56,756,509</u>	<u>56,428,295</u>
Increase or (Decrease) in						
Net Position	<u>3,397,785</u>	<u>2,039,222</u>	<u>(25,595)</u>	<u>(19,496)</u>	<u>3,372,190</u>	<u>2,019,726</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Governmental and Business-Type Activities**

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$56,756,509. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$50,087,164 because some of the cost was paid by those who benefitted from the programs \$597,772, by other governments and organizations who subsidized certain programs with grants and contributions \$8,040,533, and by miscellaneous sources \$1,403,230.

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service expenses exceeded revenues by \$25,595.
- ✓ Charges for services provided totaled \$597,772 represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$93,915.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2013, and the amount and percentage of increases/(decreases) relative to the prior year.

<b><u>Revenue</u></b>	<b><u>Amount</u></b>	<b><u>Percent of Total</u></b>	<b><u>Increase/ (Decrease) from 2012</u></b>	<b><u>Percent of Increase/ (Decrease)</u></b>
Local Source	\$51,477,663	86.6%	\$397,260	.78%
State Source	7,094,532	11.9%	1,458,564	25.88%
Federal Source	<u>852,086</u>	<u>1.5%</u>	<u>(89,864)</u>	(9.54)%
Total	<u>\$59,424,281</u>	<u>100.0%</u>	<u>\$1,765,960</u>	3.06%

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

<b><u>Expenditures</u></b>	<b><u>Amount</u></b>	<b><u>Percent of Total</u></b>	<b><u>Increase/ (Decrease) from 2012</u></b>	<b><u>Percent of Increase/ (Decrease)</u></b>
Current Expenditures:				
Instruction	\$24,136,791	41.2%	\$1,615,735	7.17%
Undistributed	30,249,610	51.6%	328,855	1.10%
Debt Service	2,450,302	4.2%	(125,865)	(4.89)%
Capital Outlay	<u>1,775,773</u>	<u>3.0%</u>	<u>1,722,863</u>	3,256.21%
Total	<u>\$58,612,476</u>	<u>100.0%</u>	<u>\$3,541,588</u>	6.43%

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS**

The School District's budgets are prepared according to New Jersey law, and are based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted funds are the general fund and the special revenue fund.

During the fiscal year ended June 30, 2013, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$21,699 for increases in federal and state grant awards.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**General Fund**

The general fund actual revenue was \$55,785,511. That amount is \$5,123,673 above the final amended budget of \$50,661,838. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$5,096,104 for TPAF social security reimbursements and on-behalf pension payments, an excess in other state and federal aids of \$131,951 and a deficit of \$104,382 in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$55,035,081 including transfers which is \$2,784,625 above the final amended budget of \$52,250,456. The variance between the actual expenditures and final budget was due to non-budget on-behalf TPAF social security and pension payments of \$5,096,104, and \$2,311,479 unexpended budgeted funds.

General fund had total revenues of \$55,785,511 and total expenditures and transfers of \$55,035,081 with an ending fund balance of \$8,696,189.

**Special Revenue Fund**

The special revenue fund actual revenue was \$1,127,093. That amount is below the original budget estimate of \$1,153,357 and below the final amended budget of \$1,175,056. The \$21,699 variance between the original and final budget was due to additional state grant monies awarded to the District after the original budget was approved. The \$47,963 variance between the final amended budget and the June 30, 2013 actual results was due to the deferral of State grants received in the current fiscal year to be spent in the next fiscal year and miscellaneous receivables.

The actual expenditures of the special revenue fund were \$1,127,093, which is below the original budget of \$1,153,357 and below the final amended budget of \$1,175,056. The \$21,699 variance between the original and final budget was due to the additional expenditures related to the additional grants awarded to the District after the original budget was approved. The \$47,963 variance between the final amended budget and the June 30, 2013 actual results was due to the anticipation of fully expending federal and state grant programs. Expenditures will be incurred in the next fiscal year.



**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2013 the School District had \$61,653,440 invested in sites, buildings, equipment. Of this amount \$25,509,173 in depreciation has been taken over the years. We currently have a net book value of \$36,144,267. Table 3 shows fiscal year 2013 balances compared to 2012.

**Table 3  
Capital Assets at June 30,  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2013</u>	<u>Restated 2012</u>	<u>2013</u>	<u>Restated 2012</u>	<u>2013</u>	<u>Restated 2012</u>
Sites and Improvements	\$4,425,700	\$4,425,700	\$	\$	\$4,425,700	\$4,425,700
Buildings and Improvements	29,924,849	29,413,012			29,924,849	29,413,012
Furniture, Equipment and Vehicles	<u>1,758,889</u>	<u>1,525,125</u>	<u>34,829</u>	<u>51,739</u>	<u>1,793,718</u>	<u>1,576,864</u>
	<u>\$36,109,438</u>	<u>\$35,363,837</u>	<u>\$34,829</u>	<u>\$51,739</u>	<u>\$36,144,267</u>	<u>\$35,415,576</u>

**Debt Administration**

At June 30, 2013, the District had \$18,636,955 of long-term debt. Of this amount, \$1,056,955 is compensated absence and \$17,580,000 is school improvement serial bonds issues dated May 15, 2002, December 15, 2003 and April 4, 2012.

**Table 4  
Outstanding Serial Bonds at June 30,**

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
School Improvement Bonds - 2002	\$	\$630,000
School Improvement Bonds - 2003	1,110,000	2,175,000
School Refunding Bonds - 2012	<u>16,470,000</u>	<u>16,700,000</u>
	<u>\$17,580,000</u>	<u>\$19,505,000</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
UNAUDITED (CONTINUED)**

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The economy in the State of New Jersey is slowly improving. The current State of New Jersey revenue estimates are at the point that the legislature and governor have approved a State Aid funding bill for the 2013-2014 school year that is greater than the level of the 2012-2013 school year.

These factors were considered in preparing the Borough of Ramsey School District's budgets for the 2013-2014 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Ramsey Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Robert J. Marcotulli  
Assistant Superintendent-Business / Board Secretary  
Ramsey Board of Education  
266 East Main Street  
Ramsey, NJ 07446

## **BASIC FINANCIAL STATEMENTS**

## **DISTRICT-WIDE FINANCIAL STATEMENTS**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Net Position**  
**June 30, 2013**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	1,400,985	63,493	1,464,478
Investments	239,235		239,235
Receivables, net	7,045,679	16,991	7,062,670
Internal balances	(165,185)	165,185	-
Inventory		4,560	4,560
Restricted assets:			
Capital reserve account - cash	2,847,329		2,847,329
Capital assets, net:			
Land	4,425,700		4,425,700
Other capital assets, net	31,683,738	34,829	31,718,567
Total Assets	<u>47,477,481</u>	<u>285,058</u>	<u>47,762,539</u>
Deferred Outflow of Resources:			
Unamortized bond issuance costs	<u>155,184</u>		<u>155,184</u>
Total Deferred Outflows	<u>155,184</u>		<u>155,184</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	261,021	19,561	280,582
Payable to state government	47,963		47,963
Loans payable	2,500,000		2,500,000
Unearned revenue	2,772		2,772
Noncurrent liabilities:			
Due within one year	1,815,000		1,815,000
Due beyond one year	16,821,955		16,821,955
Total liabilities	<u>21,448,711</u>	<u>19,561</u>	<u>21,468,272</u>
Deferred Inflow of Resources:			
Unamortized bond issuance premiums	<u>1,251,819</u>		<u>1,251,819</u>
Total Deferred Inflows	<u>1,251,819</u>		<u>1,251,819</u>
<b>NET POSITION</b>			
Net investment in capital assets	17,432,803	34,829	17,467,632
Restricted for:			
Debt service	118,513		118,513
Capital projects	2,953,922		2,953,922
Other purposes	4,722,344		4,722,344
Unrestricted (Deficit)	<u>(295,447)</u>	<u>230,668</u>	<u>(64,779)</u>
Total net position	<u><u>24,932,135</u></u>	<u><u>265,497</u></u>	<u><u>25,197,632</u></u>

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**RAMSEY BOARD OF EDUCATION**  
Statement of Activities  
Fiscal Year Ended June 30, 2013

Functions/Programs	Expenses	Indirect - Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Governmental activities:</b>							
Instruction:							
Regular	18,047,222	3,800,425		789,211	(21,058,436)		(21,058,436)
Special education	3,813,026	838,541			(4,651,567)		(4,651,567)
Other special instruction	794,121	130,400			(924,521)		(924,521)
Other instruction	935,881	164,103			(1,099,984)		(1,099,984)
Support services:							
Instruction	2,336,364				(2,336,364)		(2,336,364)
Student & instruction related services	6,468,303	1,265,482		332,482	(7,401,303)		(7,401,303)
General administrative services	1,157,927	89,120			(1,247,047)		(1,247,047)
School administrative services	1,818,342	359,347			(2,177,689)		(2,177,689)
Central Services	449,197	89,198			(538,395)		(538,395)
Administrative information tech.	17,460				(17,460)		(17,460)
Plant operations and maintenance	4,310,672	482,191			(4,792,863)		(4,792,863)
Pupil transportation	1,312,946	37,129			(1,350,075)		(1,350,075)
Unallocated benefits	5,163,141				(5,163,141)		(5,163,141)
Interest on long-term debt	664,734				(664,734)		(664,734)
Unallocated depreciation	1,603,072				(1,603,072)		(1,603,072)
Capital lease obligation and amortization	(121,848)				121,848		121,848
Total governmental activities	48,770,560	7,255,936	-	1,121,693	(54,904,803)		(54,904,803)
<b>Business-type activities:</b>							
Food Service	730,013		597,772	93,915		(38,326)	(38,326)
Total business-type activities	730,013		597,772	93,915		(38,326)	(38,326)
Total primary government	49,500,573		597,772	1,215,608	(54,904,803)		(54,943,129)
<b>General revenues:</b>							
Taxes:							
Levied for general purposes					47,541,824		47,541,824
Taxes levied for debt service					2,545,340		2,545,340
Federal and State aid not restricted					6,819,525		6,819,525
Federal and State aid - Capital Outlay					5,400		5,400
Tuition received					1,329,177		1,329,177
Transportation Fees					23,677		23,677
Investment Earnings					216	25	241
Miscellaneous Income					37,429	12,706	50,135
Total general revenues, special items, extraordinary items and transfers					58,302,588	12,731	58,315,319
Change in Net Position					3,597,785	(25,595)	3,372,190
Net Position—beginning (Restated)					21,534,350	291,092	21,825,442
Net Position—ending					24,932,135	265,497	25,197,632

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

## **FUND FINANCIAL STATEMENTS**

**RAMSEY BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents					
Checking	3,839,067				3,839,067
Investments			239,235		239,235
Accounts Receivable -					
Intergovernmental - State	612,434		5,567,272		6,179,706
Intergovernmental - Federal		772,399			772,399
Interfund receivables	1,367,755			632,136	1,999,891
Other receivables	93,574				93,574
Restricted cash and cash equivalents:					
Capital Reserve	2,847,329				2,847,329
<b>Total assets</b>	<b>8,760,159</b>	<b>772,399</b>	<b>5,806,507</b>	<b>632,136</b>	<b>15,971,201</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Deficit in cash and cash equivalents			1,924,459	513,623	2,438,082
Intergovernmental payable:					
State		47,963			47,963
Temporary Notes Payable			2,500,000		2,500,000
Interfund Payable	165,185	724,436	1,275,455		2,165,076
Unearned revenue	2,772				2,772
<b>Total liabilities</b>	<b>167,957</b>	<b>772,399</b>	<b>5,699,914</b>	<b>513,623</b>	<b>7,153,893</b>
<b>Fund Balances:</b>					
Restricted for:					
Excess Surplus - current year	2,341,639				2,341,639
Excess Surplus - prior year - designated for subsequent year's expenditures	2,316,006				2,316,006
Capital reserve account	2,847,329				2,847,329
Assigned to:					
Designated by the BOE for subsequent year's expenditures	64,699				64,699
Capital projects fund			106,593		106,593
Debt service fund				118,513	118,513
Unassigned:					
General Fund	1,022,529				1,022,529
<b>Total Fund balances</b>	<b>8,592,202</b>	<b>-</b>	<b>106,593</b>	<b>118,513</b>	<b>8,817,308</b>
<b>Total liabilities and fund balances</b>	<b>8,760,159</b>	<b>772,399</b>	<b>5,806,507</b>	<b>632,136</b>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$61,181,867 and the accumulated depreciation is \$25,072,429. 36,109,438

Bond issuance premium is recorded as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,390,910 and accumulated amortization is \$139,091 (1,251,819)

Bond issuance costs are reported as expenditures in the Governmental Funds in the year of the expenditure. The costs are \$172,427 and accumulated amortization is \$17,243 155,184

Accrued interest liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8) (261,021)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8) (18,636,955)

Net position of governmental activities 24,932,135

The accompanying Notes to Basic Financial Statements are an integral part of this statement.



**RAMSEY BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended June 30, 2013**

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES</b>					
Local sources:					
Local tax levy	47,541,824			2,545,340	50,087,164
Tuition charges	1,329,177				1,329,177
Transportation Fees	23,677				23,677
Interest on Investments			216		216
Miscellaneous	22,202			15,227	37,429
Total - Local Sources	48,916,880	-	216	2,560,567	51,477,663
State sources	6,815,310	279,222			7,094,532
Federal sources	4,215	847,871			852,086
Total revenues	55,736,405	1,127,093	216	2,560,567	59,424,281
<b>EXPENDITURES</b>					
Current:					
Regular instruction	17,804,552	789,211			18,593,763
Special education instruction	3,813,026				3,813,026
Other special instruction	794,121				794,121
School sponsored/other instructional	935,881				935,881
Support services and undistributed costs:					
Instruction	2,336,364				2,336,364
Attendance and social work services	40,645				40,645
Health services	423,031				423,031
Student & instruction related services	5,672,145	332,482			6,004,627
General administrative services	1,157,927				1,157,927
School administrative services	1,818,342				1,818,342
Central services	449,197				449,197
Administrative information tech.	17,460				17,460
Plant operations and maintenance	4,337,031				4,337,031
Pupil transportation	1,312,946				1,312,946
Unallocated benefits	7,255,936				7,255,936
On-behalf contributions	5,096,104				5,096,104
Debt Service:					
Principal				1,925,000	1,925,000
Interest and charges				525,302	525,302
Capital outlay	330,473	5,400	1,439,900		1,775,773
Total expenditures	53,595,181	1,127,093	1,439,900	2,450,302	58,612,476
Excess (Deficiency) of revenues over expenditures	2,141,224	-	(1,439,684)	110,265	811,805
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out - Capital Reserves	(1,439,900)				(1,439,900)
Transfers out - Debt Service			(216)		(216)
Transfers in - Capital Projects				216	216
Transfers in - Capital Projects			1,439,900		1,439,900
Total other financing sources and uses	(1,439,900)	-	1,439,684	216	-
Net change in fund balances	701,324	-	-	110,481	811,805
Fund balance—July 1	7,890,878	-	106,593	8,032	8,005,503
Fund balance—June 30	8,592,202	-	106,593	118,513	8,817,308

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**RAMSEY BOARD OF EDUCATION**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Fiscal Year Ended June 30, 2013**

**Total net change in fund balances - governmental funds (from B-2)** 811,805

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation expense	(1,603,072)	
Depreciable outlays	<u>2,348,673</u>	
		745,601

Repayment of long-term debt is reported as an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

In the current year, these amounts consist of:

Serial bond obligations	1,925,000
-------------------------	-----------

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in interest is an adjustment in the reconciliation.

Prior Year	121,589	
Current Year	<u>(261,021)</u>	
		(139,432)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Increase in compensated absences payable	(67,037)
--	----------

The governmental funds report the effect of bond premiums when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (+)

139,091

The governmental funds report the effect of issuance costs when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (-)

(17,243)

**Change in net position of governmental activities**

3,397,785

**The accompanying Notes to Basic Financial Statements are an integral part of this statement.**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2013**

	<u><b>Food Service Program</b></u>
 <u><b>ASSETS</b></u>	
Current assets:	
Cash and cash equivalents	63,493
Accounts receivable:	
State	605
Federal	5,341
Interfund - General Fund	165,185
Other	11,045
Inventories	4,560
Total current assets	<u>250,229</u>
Noncurrent assets:	
Capital assets:	
Equipment	471,573
Less accumulated depreciation	<u>(436,744)</u>
Total capital assets (net of accumulated depreciation)	<u>34,829</u>
Total assets	<u><u>285,058</u></u>
 <u><b>LIABILITIES</b></u>	
Current liabilities:	
Accounts payable	<u>19,561</u>
Total current liabilities	<u>19,561</u>
 <u><b>NET POSITION</b></u>	
Net investment in capital assets	34,829
Unrestricted	<u>230,668</u>
Total net position	<u><u>265,497</u></u>

**The accompanying Notes to Basic Financial Statements are an integral part of this statement.**

**Exhibit B-5**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2013**

	<u><b>Food Service Program</b></u>
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	207,851
Daily sales - non-reimbursable programs	303,396
Special functions	86,525
Total operating revenues	<u>597,772</u>
Operating expenses:	
Cost of sales	269,235
Salaries	247,212
Benefits	80,056
Supplies and materials	19,214
Purchased property services	50,270
Cleaning repair & maintenance	47,116
Depreciation	16,910
Total Operating Expenses	<u>730,013</u>
Operating income (loss)	<u>(132,241)</u>
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	4,196
Federal sources:	
National school lunch program	60,273
Food distribution program	29,446
Insurance Reimbursements	12,706
Interest Income	25
Total nonoperating revenues (expenses)	<u>106,646</u>
Income (loss) before contributions & transfers	<u>(25,595)</u>
Change in net position	(25,595)
Total net position—beginning (restated)	291,092
Total net position—ending	<u><u>265,497</u></u>

**The accompanying Notes to Basic Financial Statements are an integral part of this statement.**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2013**

	<u><b>Food Service Program</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	598,598
Payments to suppliers	<u>(707,221)</u>
Net cash provided by (used for) operating activities	<u>(108,623)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest and dividends	<u>25</u>
Net cash provided by (used for) investing activities	<u>25</u>
Net increase (decrease) in cash and cash equivalents	(108,598)
Balances—beginning of year	<u>172,091</u>
Balances—end of year	<u><u>63,493</u></u>
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	(132,241)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
(Increase) decrease in accounts receivable	1,221
Depreciation and net amortization	16,910
Food Distribution Program	29,446
(Increase) decrease in inventories	(2,309)
Increase (decrease) in accounts payable	<u>(21,650)</u>
Total adjustments	<u>23,618</u>
Net cash provided by (used for) operating activities	<u><u>(108,623)</u></u>

**The accompanying Notes to Basic Financial Statements are an integral part of this statement.**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2013**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Funds</u>	<u>Agency Fund</u>
<b>ASSETS</b>			
Cash and cash equivalents	234,471	35,009	1,202,472
Interfund Receivable	14,895		
Total assets	<u>249,366</u>	<u>35,009</u>	<u>1,202,472</u>
<b>LIABILITIES</b>			
Payable to student groups			888,887
Payroll deductions and withholdings			291,799
Contribution Pledged to Specific Awards			6,891
Due to State of NJ	350		
Interfund Payable			14,895
Total liabilities	<u>350</u>	<u>-</u>	<u>1,202,472</u>
<b>NET POSITION</b>			
Held in trust for unemployment claims and other purposes	249,016		
Reserved for scholarships		35,009	
	<u>249,016</u>	<u>35,009</u>	

The accompanying Notes to Basic Financial Statements are an integral part of this statement.

**RAMSEY BOARD OF EDUCATION**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Funds</b>
<b>ADDITIONS</b>		
Contributions:		
Payroll withholdings	47,248	
Donations		750
Total Contributions	<u>47,248</u>	<u>750</u>
Investment earnings:		
Interest	195	
Net investment earnings	<u>195</u>	<u>-</u>
Total additions	<u>47,443</u>	<u>750</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	19,974	
Scholarships awarded		4,450
Total deductions	<u>19,974</u>	<u>4,450</u>
Change in net position	27,469	(3,700)
Net position—beginning of the year	<u>221,547</u>	<u>38,709</u>
Net position—end of the year	<u>249,016</u>	<u>35,009</u>

**The accompanying Notes to Basic Financial Statements are an integral part of this statement.**

## **NOTES TO THE FINANCIAL STATEMENTS**



**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Board of Education ("Board") of the Borough of Ramsey School District ("District") is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Ramsey School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name)
- the Board holds the corporate powers of the organization
- the Board appoints a voting majority of the organization's board
- the Board is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Board
- there is a fiscal dependency by the organization on the Board

Based on the aforementioned criteria, the Board has no component units. Furthermore, the Board is not includable in any other reporting entity on the basis of such criteria.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education of the Borough of Ramsey School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the board's accounting policies are described below.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**A. Basis of Presentation**

The Board's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

**District-wide Financial Statements**

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

**Fund Financial Statements**

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, and *fiduciary* - are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models. The various funds of the Board are grouped into the categories governmental, proprietary and fiduciary.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**GOVERNMENTAL FUNDS**

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

**General Fund** - The General Fund is the general operating fund of the Board. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

**Debt Service Fund** - The debt service fund is used to account for the accumulation of resources for and the payment of principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Enterprise Funds** - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund.

**FIDUCIARY FUNDS**

**Fiduciary Fund** - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. Fiduciary Funds include Unemployment Compensation Insurance, the Memorial Funds, Student Activities Fund and Payroll Agency Fund.

**B. Measurement Focus**

**District-wide Financial Statements**

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, (continued)**

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**Revenues - Exchange and Non-exchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**Revenues - Exchange and Non-exchange Transactions, (continued)**

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: ad valorem property taxes, tuition, unrestricted grants and interest.

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**D. Budgets/Budgetary Control**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education made additional appropriations during the year for additional federal aid received.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**D. Budgets/Budgetary Control, (continued)**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**E. Encumbrances**

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds, other than the special revenue fund, are reported as reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund, for which the Board has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

**F. Cash, Cash Equivalents and Investments**

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**F. Cash, Cash Equivalents and Investments, (continued)**

Additionally, the Board has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

**G. Tuition Revenues/Receivable**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**H. Inventories**

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2013 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.



**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**J. Short-Term Interfund Receivables/Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**K. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**L. Compensated Absences**

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the Board and its employees, is accrued as the employees earn the rights to the benefits. Compensated absences that relate to future services, or that are contingent on a specific event that is outside the control of the Board and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**M. Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

**N. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the District-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**O. Fund Balances**

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**P. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**Q. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**R. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

**S. Allocation of Indirect Expenses**

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**T. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**U. Recent Accounting Pronouncements:**

In August 2011, the Governmental Accounting Standards Board (GASB) issued Statement No. 65 "Items Previously Reported as Assets and Liabilities". This statement, which is effective for fiscal periods beginning after December 15, 2012, is not anticipated to have any effect on the District's financial reporting.

In October 2011, the Governmental Accounting Standards Board (GASB) issued Statement No. 66 "Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62". This statement, which is effective for fiscal periods beginning after December 15, 2012, amends and supersedes previously issued GASB statements to incorporate guidance that had been included in AICPA and FASB guidance. The statement will have a minimum, but undetermined impact on the proprietary fund financial statements of the District.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67, "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, is not anticipated to have any impact on the District's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68, "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, is not anticipated to have any impact on the District's financial reporting.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2013, \$-0- of the District's bank balance of \$1,737,149 was exposed to custodial credit risk.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS, (continued)**

**Investments**

**Investment Rate Risk**

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk**

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The District places no limit on the amount the District may invest in any one issuer.

**NOTE 4. RECEIVABLES**

Receivables at June 30, 2013, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial Statements	Enterprise Fund	District Wide Financial Statements
State Aid	\$6,179,706	\$605	\$6,180,311
Federal Aid	772,399	5,341	777,740
Other	93,574	11,045	104,619
Interfunds	<u>1,999,891</u>	<u>165,185</u>	
Gross Receivables	9,045,570	182,176	7,062,670
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u>\$9,045,570</u>	<u>\$182,176</u>	<u>\$7,062,670</u>

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 5. INTERFUND BALANCES AND ACTIVITY**

Balances due to/from other funds at June 30, 2013, consist of the following:

\$599,209	Due to the Debt Service Fund from the Capital Projects Fund for interest earned on investments in the Capital Projects Fund.
32,927	Due to the Debt Service Fund from the Capital Projects Fund for premium on notes.
513,478	Due to the General Fund from the Capital Projects Fund for payment of loan.
102,917	Due to the General Fund from the Capital Projects Fund for prior years expense reimbursement.
26,924	Due to the General Fund from the Capital Projects Fund for transfers from capital reserve in excess of local share of Sprinkler Systems project.
2,772	Due to the General Fund from the Special Revenue Fund for prior years Distance Learning Network Aid deferred revenue.
165,185	Due to the Food Service Fund from the General Fund for subsidy reimbursements received but not turned over.
<u>721,664</u>	Due to the General Fund from the Special Revenue Fund to cover cash deficit.
<u>\$2,165,076</u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 6. CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2013 was as follows:

	Restated Balance <u>6/30/12</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/13</u>
<b>Governmental Activities</b>				
Capital Assets That Are Not Being Depreciated:				
Land	<u>\$4,425,700</u>	<u>\$</u>	<u>\$</u>	<u>\$4,425,700</u>
Total Capital Assets, Not Being Depreciated	<u>4,425,700</u>	<u>          </u>	<u>          </u>	<u>4,425,700</u>
Building and building improvements	44,625,413	1,596,799		46,222,212
Machinery and equipment	<u>9,782,081</u>	<u>751,874</u>	<u>          </u>	<u>10,533,955</u>
Totals at Historical Cost	<u>54,407,494</u>	<u>2,348,673</u>	<u>          </u>	<u>56,756,167</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(15,212,401)	(1,084,962)		(16,297,363)
Equipment	<u>(8,256,956)</u>	<u>(518,110)</u>	<u>          </u>	<u>(8,775,066)</u>
Total Accumulated Depreciation	<u>(23,469,357)</u>	<u>(1,603,072)</u>	<u>          </u>	<u>(25,072,429)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>30,938,137</u>	<u>745,601</u>	<u>          </u>	<u>31,683,738</u>
Governmental Activities Capital Assets, Net	<u>\$35,363,837</u>	<u>\$745,601</u>	<u>\$</u>	<u>\$36,109,438</u>
<b>Business-Type Activity</b>				
Equipment	471,573			471,573
Less Accumulated Depreciation For:				
Equipment	<u>(419,834)</u>	<u>(16,910)</u>	<u>          </u>	<u>(436,744)</u>
Business-Type Activity Capital Assets, Net	<u>\$51,739</u>	<u>(\$16,910)</u>	<u>\$</u>	<u>\$34,829</u>

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as "unallocated depreciation".



**Borough of Ramsey School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2013**

**NOTE 7. LONG-TERM OBLIGATIONS**

**Advance and Current Refundings of Debt**

On April 4, 2012, the District issued \$16,700,000 in School District Refunding Bonds having an interest rate of 2.00% to 5.00%. These bonds were issued in order to advance refund certain principal maturities and certain interest payments of various School District Bonds of the District. The total bond principal defeased was \$16,714,000 and the total interest payments defeased was \$1,271,630. The net proceeds of \$17,918,483 (after payment of underwriting fees, insurance and other insurance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the advance of refunding met the requirements of an in-substance debt defeasance and the refunded bond liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$172,427. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued.

Changes in long-term obligations for the fiscal year ended June 30, 2013 are as follows:

	<u>Balance</u> <u>June 30, 2012</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2013</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>	<u>Long-term</u> <u>Portion</u>
<b>Governmental Activities:</b>						
Bonds payable:						
General obligation debt	<u>\$19,505,000</u>	<u>\$ _____</u>	<u>\$(1,925,000)</u>	<u>\$17,580,000</u>	<u>\$1,815,000</u>	<u>\$15,765,000</u>
Total Bonds Payable	<u>19,505,000</u>	<u>_____</u>	<u>(1,925,000)</u>	<u>17,580,000</u>	<u>1,815,000</u>	<u>15,765,000</u>
Other Liabilities:						
Compensated absences payable	<u>989,918</u>	<u>230,170</u>	<u>(163,133)</u>	<u>1,056,955</u>	<u>_____</u>	<u>1,056,955</u>
Total other liabilities	<u>989,918</u>	<u>230,170</u>	<u>(163,133)</u>	<u>1,056,955</u>	<u>_____</u>	<u>1,056,955</u>
Total Governmental Activities	<u>\$20,494,918</u>	<u>\$230,170</u>	<u>(\$2,088,133)</u>	<u>\$18,636,955</u>	<u>\$1,815,000</u>	<u>\$16,821,955</u>

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 7. LONG-TERM OBLIGATIONS,(continued)**

**A. Bonds Payable:**

Bonds are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the board are general obligation bonds.

Outstanding bonds payable at June 30, 2013 consisted of the following:

<u>Issue</u>	<u>Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2013</u>
School Bonds	\$23,434,000	12/15/2003	3.0%-4.5%	1/15/2014	\$1,110,000
Refunding School Bonds	16,700,000	4/4/2012	2.0%-5.0%	1/15/2024	16,470,000
					<u>\$17,580,000</u>

Principal and interest due on serial bonds outstanding is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$1,815,000	\$569,500	\$2,384,500
2015	1,850,000	511,000	2,361,000
2016	1,850,000	474,000	2,324,000
2017	1,865,000	437,000	2,302,000
2018	1,310,000	381,050	1,691,050
2019-2023	7,265,000	1,237,450	8,502,450
2024	<u>1,625,000</u>	<u>81,250</u>	<u>1,706,250</u>
	<u>\$17,580,000</u>	<u>\$3,691,250</u>	<u>\$21,271,250</u>

**B. Bonds Authorized But Not Issued:**

As of June 30, 2013 the Board has no authorized but not issued bonds.

**C. Capital Leases:**

The District had no capital leases outstanding at June 30, 2013.

**Borough of Ramsey School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2013**

**NOTE 8. TEMPORARY NOTES**

The District issued temporary notes to fund various capital projects in anticipation of the receipt of Educational Facilities Construction and Financing Act reimbursements. The term of the notes cannot exceed one year but the note may be renewed from time to time for a period not exceeding one year.

One June 30, 2013, the District had \$2,500,000 in outstanding temporary notes due on July 22, 2013 at a rate of 1.25%. At maturity, \$2,500,000 was rolled over.

**NOTE 9. OPERATING LEASES**

The District has commitments to lease certain office equipment under operating leases that expire in 2012. Total operating lease payments made during the year ended June 30, 2013 were \$114,088. Future minimum lease payments are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2014	\$109,646
2015	97,815
2016	40,050
2017	9,878
2018	<u>1,592</u>
Total future minimum lease payments	<u>\$258,981</u>

**NOTE 10. PENSION PLANS**

**Description of Plans** - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or reports can be accessed on the internet at: [http://www.state.nj.us/treasury/pensions/annrpts\\_archive.htm](http://www.state.nj.us/treasury/pensions/annrpts_archive.htm).

**Teachers' Pension and Annuity Fund (TPAF)** - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 10. PENSION PLANS, (continued)**

**Public Employees' Retirement System (PERS)** - The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

**Contribution Requirements** - The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 5.5% for TPAF of the employee's annual compensation. Pursuant to the provisions of Chapter 78, P.L. 2011, this amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning in the first year. For fiscal year 2012, the member rate will increase in October 2011. The phase in will take place on July 1 of each subsequent fiscal year. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and TPAF. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2013 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost equals annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997.

The Board's contribution to PERS, equal to the required contributions for each year, were as follows:

<b>Year Ending</b>	
6/30/13	\$609,132
6/30/12	598,160
6/30/11	586,744

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 10. PENSION PLANS, (continued)**

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits were as follows:

<u>Year Ending</u>	<u>Pension Contributions</u>	<u>Post- Retirement Medical Contributions</u>	<u>NCGI Premium</u>
6/30/13	\$1,477,770	\$1,758,902	\$77,751
6/30/12	657,763	1,464,175	70,587
6/30/11		1,450,455	68,289

During the fiscal year ended June 30, 2013, the State of New Jersey contributed \$3,314,423 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,781,681 during the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the district-wide financial statements, and fund based statements as revenues and expenditures in accordance with GASB 24.

**Defined Contribution Retirement Program**

The Defined Contribution Retirement Program (DCRP) was established on July 1, 2007 for certain public employees under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The program provides eligible members with a tax-sheltered, defined contribution retirement benefit, in addition to life insurance and disability coverage. The DCRP is jointly administered by the Division of Pensions and Benefits and Prudential Financial.

If the eligible elected or appointed official will earn less than \$5,000 annually, the official may choose to waiver participation in the DCRP for that office or position. The waiver is irrevocable.

This retirement program is a new pension system where the value of the pension is based on the amount of the contribution made by the employee, employer and through investment earnings. It is similar to a Deferred Compensation Program where the employee has a portion of tax deferred salary placed into an account that the employee manages through investment option provided by the employer.

The law requires that three classes of employees enroll in the DCRP detailed as follows:

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 10. PENSION PLANS, (continued)**

All elected officials taking office on or after July 1, 2007, except that a person who is reelected to an elected office held prior to that date without a break in service may retain in the PERS. A Governor appointee with advice and consent of the Legislature or who serves at the pleasure of the Governor only during that Governor's term of office.

Other employees commencing service after July 1, 2007, pursuant to an appointment by an elected official or elected governing body.

Notwithstanding the foregoing requirements, other employees who hold a professional license or certificate or meet other exceptions are permitted to remain to join or remain in PERS.

The Board has employees who do not meet the requirements to join PERS or TPAF but hold a professional license or certificate and qualify for DCRP pursuant to foregoing requirements.

**NOTE 11. POST-RETIREMENT BENEFITS**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2012, there were 97,661 retirees eligible for post-retirement medical benefits and the State contributed \$935.5 million on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994 Chapter 62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 Chapter 126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. In fiscal year 2012, the State paid \$146.6 million toward Chapter 126 benefits for 16,618 eligible retired members.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 12. DEFERRED COMPENSATION**

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

AIM Fund Services	Equitable
American United Life	MFS Funds
Guardian Insurance	Lincoln
Mass Mutual	Merrill Lynch
Metropolitan Life	Travlers
Paul Revere	Union Central Life
Valic	

**NOTE 13. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

**Property and Liability Insurance** - The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

**New Jersey Unemployment Compensation Insurance** - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2012-2013	\$195	\$47,248	\$19,974	\$249,016
2011-2012	71	45,659	87,085	221,547
2010-2011	245,222	44,768	99,112	262,902

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 14. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Borough of Ramsey Board of Education by inclusion of \$502,000 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). A district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6A:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2012 to June 30, 2013 fiscal year is as follows:

Beginning balance, July 1, 2012	\$1,952,229
Increased by:	
Budget Appropriation	935,000
Budget Approved by Resolution - June 25, 2013	1,400,000
Decreased by:	
Transfer to Capital Projects	<u>1,439,900</u>
Ending balance, June 30, 2013	<u>\$2,847,329</u>

**NOTE 15. FUND BALANCE APPROPRIATED**

**General Fund [Exhibit B-1]** - Of the \$8,592,202 General Fund fund balance at June 30, 2013, \$4,657,645 is reserved as excess surplus in accordance with *N.J.S.A. 18A:7F-7* (\$2,316,006 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2014); \$2,847,329 has been reserved in the Capital Reserve Account; \$64,699 has been designated by the Board for subsequent year's expenditures; and \$1,022,529 is unreserved and undesignated.

**Debt Service Fund** - The Debt Service Fund fund balance at June 30, 2013 of \$118,513 is unreserved and undesignated.



**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2013**

**NOTE 16. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) the designation for Reserved Fund Balance — Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is \$4,657,645. Of this amount, \$2,341,639 is the result of current year operations.

**NOTE 17. INVENTORY**

Inventory in the Food Service Fund at June 30, 2013 consisted of the following:

Food	\$3,339
Supplies	<u>1,221</u>
	<u>\$4,560</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

**NOTE 18. CONTINGENT LIABILITIES**

**Grant Programs** - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

**Litigation** - The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

**NOTE 19. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through November 22, 2013, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**Borough of Ramsey School District**  
**Notes to the Basic Financial Statements**  
**for the fiscal year ended June 30, 2013**

**NOTE 20. RETROACTIVE RESTATEMENT DUE TO UPDATED FIXED ASSET SCHEDULE**

During fiscal year 2013, the District's fixed asset report was updated by the outside service provider to reflect adjustment not made prior to the issuance of the June 30, 2012 audit report. The following adjustments were made to the capital asset schedule and the statement of net position as of June 30, 2013:

	<u>Balance</u> <u>June 30, 2012</u>	<u>Restatement</u>	<u>Restated</u> <u>Balance</u> <u>June 30, 2013</u>
<b><u>Governmental Funds:</u></b>			
Assets:			
Capital Assets Being Depreciated, Net	\$30,926,180	\$11,957	\$30,938,137
Net Assets:			
Net Investment in Capital Assets	14,628,397	11,957	14,640,354
Total Net Position	21,522,393	11,957	21,534,350
<b><u>Business-Type Activities:</u></b>			
Assets:			
Capital Assets Being Depreciated, Net	181,888	(130,149)	51,739
Net Assets:			
Net Investment in Capital Assets	181,888	(130,149)	51,739
Total Net Position	421,241	(130,149)	291,092

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

## **BUDGETARY COMPARISON SCHEDULES**

## Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>REVENUES:</b>					
<b>General Fund:</b>					
Revenues from Local Sources:					
Local Tax Levy	47,541,824		47,541,824	47,541,824	
Tuition	1,328,000		1,328,000	1,329,177	1,177
Transportation Fees from Individuals	21,230		21,230	23,677	2,447
Interest Earned on Capital Reserve Funds	5,000		5,000		(5,000)
Other Restricted Miscellaneous Revenues	65,208		65,208		(65,208)
Unrestricted Miscellaneous Revenues	60,000		60,000	22,202	(37,798)
<b>Total - Local Sources</b>	<u>49,021,262</u>		<u>49,021,262</u>	<u>48,916,880</u>	<u>(104,382)</u>
Revenues from State Sources:					
Categorical Special Education Aid	1,119,069		1,119,069	1,119,069	
Categorical Security Aid	41,421		41,421	41,421	
Categorical Transportation Aid	80,086		80,086	80,086	
Extraordinary Aid	400,000		400,000	516,136	116,136
Nonpublic Transportation				11,600	11,600
On-behalf TPAF pension Contributions (non-budgeted)				1,758,902	1,758,902
On-behalf NCGI Premium (non-budgeted)				1,555,521	1,555,521
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,781,681	1,781,681
<b>Total - State Sources</b>	<u>1,640,576</u>		<u>1,640,576</u>	<u>6,864,416</u>	<u>5,223,840</u>
Revenues from Federal Sources:					
Special Education Medicaid Initiative				4,215	4,215
<b>Total - Federal Sources</b>				<u>4,215</u>	<u>4,215</u>
<b>TOTAL REVENUES</b>	<u>50,661,838</u>		<u>50,661,838</u>	<u>55,785,511</u>	<u>5,123,673</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	399,797	(5,000)	394,797	391,236	3,561
Grades 1-5 - Salaries of Teachers	5,671,069	10,000	5,681,069	5,677,171	3,898
Grades 6-8 - Salaries of Teachers	3,979,804	110,000	4,089,804	4,082,726	7,078
Grades 9-12 - Salaries of Teachers	6,806,727	100,000	6,906,727	6,905,310	1,417
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	85,000		85,000	54,013	30,987
Purchased Professional-Educational Services	10,000		10,000	6,282	3,718
General Supplies	1,000		1,000		1,000
<b>Regular Programs - Undistributed Instruction</b>					
Purchased Professional-Educational Services	88,550		88,550	55,324	33,226
Other Purchased Services (400-500 series)	66,523	(1,919)	64,604	59,174	5,430
General Supplies	315,548	22,409	337,957	326,068	11,889
Textbooks	276,090	(24,200)	251,890	242,581	9,309
Other Objects	5,613		5,613	4,667	946
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<u>17,705,721</u>	<u>211,290</u>	<u>17,917,011</u>	<u>17,804,552</u>	<u>112,459</u>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	892,693		892,693	847,299	45,394
Other Salaries for Instruction	544,228	75,000	619,228	618,367	861
General Supplies	10,696		10,696	6,367	4,329
<b>Total Learning and/or Language Disabilities</b>	<u>1,447,617</u>	<u>75,000</u>	<u>1,522,617</u>	<u>1,472,033</u>	<u>50,584</u>
<b>Multiple Disabilities</b>					
Salaries of Teachers	230,873	15,000	245,873	245,480	393
Other Salaries for Instruction	259,857		259,857	203,083	56,774
Other Purchased Services (400-500 Series)	14		14	13	1
General Supplies	3,702		3,702	1,829	1,873
<b>Total Multiple Disabilities</b>	<u>494,446</u>	<u>15,000</u>	<u>509,446</u>	<u>450,405</u>	<u>59,041</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	1,790,035	(229,000)	1,561,035	1,552,760	8,275
Other Salaries for Instruction	26,228		26,228	18,678	7,550
Other Purchased Services (400-500 Series)	2,008		2,008	2,007	1
General Supplies	35,798	744	36,542	16,842	19,700
Textbooks	10,240	(1,964)	8,276	6,915	1,361
<b>Total Resource Room/Resource Center</b>	<u>1,864,309</u>	<u>(230,220)</u>	<u>1,634,089</u>	<u>1,597,202</u>	<u>36,887</u>

## Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Preschool Disabilities- Full-Time:</b>					
Salaries of Teachers	149,130	(15,000)	134,130	120,686	13,444
Other Salaries for Instruction	143,520	17,000	160,520	160,407	113
General Supplies	4,122		4,122	3,735	387
<b>Total Preschool Disabilities - Full-Time</b>	<b>296,772</b>	<b>2,000</b>	<b>298,772</b>	<b>284,828</b>	<b>13,944</b>
<b>Home Instruction:</b>					
Salaries of Teachers	40,000		40,000	8,558	31,442
<b>Total Home Instruction</b>	<b>40,000</b>		<b>40,000</b>	<b>8,558</b>	<b>31,442</b>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<b>4,143,144</b>	<b>(138,220)</b>	<b>4,004,924</b>	<b>3,813,026</b>	<b>191,898</b>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of Teachers	526,343		526,343	499,796	26,547
Other Salaries for Instruction	202,756		202,756	199,036	3,720
General Supplies	5,686	(83)	5,603	5,572	31
<b>Total Basic Skills/Remedial - Instruction</b>	<b>734,785</b>	<b>(83)</b>	<b>734,702</b>	<b>704,404</b>	<b>30,298</b>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	86,140	2,000	88,140	87,299	841
General Supplies	1,454		1,454	1,368	86
Textbooks	1,300		1,300	1,050	250
<b>Total Bilingual Education - Instruction</b>	<b>88,894</b>	<b>2,000</b>	<b>90,894</b>	<b>89,717</b>	<b>1,177</b>
<b>School-Sponsored Co/Extra Curricular Activities - Instruction</b>					
Salaries	239,300		239,300	237,614	1,686
Purchased Services (300-500 series)	32,878	3,000	35,878	34,916	962
Supplies and Materials	5,324	1,000	6,324	5,371	953
Other Objects	3,300		3,300	2,438	862
<b>Total School-Sponsored Co/Extra Curricular Activities - Instruction</b>	<b>280,802</b>	<b>4,000</b>	<b>284,802</b>	<b>280,339</b>	<b>4,463</b>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	531,700		531,700	501,220	30,480
Purchased Services (300-500 series)	101,159	8,100	109,259	100,950	8,309
Supplies and Materials	42,666	1,000	43,666	43,075	591
Other Objects	23,375	(7,100)	16,275	10,297	5,978
<b>Total School-Sponsored Athletics - Instruction</b>	<b>698,900</b>	<b>2,000</b>	<b>700,900</b>	<b>655,542</b>	<b>45,358</b>
<b>TOTAL INSTRUCTION</b>	<b>23,652,246</b>	<b>80,987</b>	<b>23,733,233</b>	<b>23,347,580</b>	<b>385,653</b>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Special	630,850	(20,000)	610,850	532,733	78,117
Tuition to County Voc. School Dist. - Regular	131,680	60,000	191,680	156,370	35,310
Tuition to CSSD & Regional Day Schools	258,200	(8,000)	250,200	178,859	71,341
Tuition to Private Schools for the Disabled Within State	1,568,015	(299,000)	1,269,015	1,251,678	17,337
Tuition to Private School Disabled & Other LEAs - Spl, O/S State	162,000	35,000	197,000	190,224	6,776
Tuition - Other		26,500	26,500	26,500	
<b>Total Undistributed Expenditures - Instruction:</b>	<b>2,750,745</b>	<b>(205,500)</b>	<b>2,545,245</b>	<b>2,336,364</b>	<b>208,881</b>
<b>Undistributed Expend. - Attend. &amp; Social Work</b>					
Salaries	81,018		81,018	40,645	40,373
<b>Total Undistributed Expend. - Attend. &amp; Social Work</b>	<b>81,018</b>		<b>81,018</b>	<b>40,645</b>	<b>40,373</b>
<b>Undist. Expend. - Health Services</b>					
Salaries	392,734	20,000	412,734	409,919	2,815
Purchased Professional and Technical Services		1,000	1,000	550	450
Other Purchased Services (400-500 Series)	554		554	462	92
Supplies and Materials	12,356	52	12,408	11,932	476
Other Objects	236		236	168	68
<b>Total Undistributed Expenditures - Health Services</b>	<b>405,880</b>	<b>21,052</b>	<b>426,932</b>	<b>423,031</b>	<b>3,901</b>
<b>Undist. Expend. - Speech, OT, PT &amp; Related Services</b>					
Salaries	664,631		664,631	630,568	34,063
Supplies and Materials	3,040	(75)	2,965	2,894	71
<b>Total Undist. Expend. - Speech, OT, PT &amp; Related Services</b>	<b>667,671</b>	<b>(75)</b>	<b>667,596</b>	<b>633,462</b>	<b>34,134</b>

## Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>					
Salaries	344,438		344,438	301,148	43,290
Purchased Professional - Educational Services	486,657		486,657	326,858	159,799
<b>Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>	<b>831,095</b>		<b>831,095</b>	<b>628,006</b>	<b>203,089</b>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	1,007,346	(30,000)	977,346	911,325	66,021
Salaries of Secretarial and Clerical Assistants	143,634	30,000	173,634	170,518	3,116
Other Purchased Professional and Technical Services	45,000	5,500	50,500	50,322	178
Other Purchased Services (400-500 Series)	7,616	(1,139)	6,477	4,697	1,780
Supplies and Materials	20,431	1,139	21,570	20,480	1,090
Other Objects	1,055		1,055	600	455
<b>Total Undist. Expend. - Guidance</b>	<b>1,225,082</b>	<b>5,500</b>	<b>1,230,582</b>	<b>1,157,942</b>	<b>72,640</b>
<b>Undist. Expend. - Child Study Teams</b>					
Salaries of Other Professional Staff	1,053,409	10,000	1,063,409	1,040,466	22,943
Salaries of Secretarial and Clerical Assistants	119,744	10,000	129,744	123,104	6,640
Other Purchased Professional and Technical Services	108,400		108,400	53,505	54,895
Misc. Pur Services (400-500 Series)	13,169		13,169	10,553	2,616
Supplies and Materials	135,301	(3,000)	132,301	79,655	52,646
Other Objects	6,459		6,459	1,267	5,192
<b>Total Undist. Expend. - Child Study Teams</b>	<b>1,436,482</b>	<b>17,000</b>	<b>1,453,482</b>	<b>1,308,550</b>	<b>144,932</b>
<b>Undist. Expend. - Improvement of Instructional Services</b>					
Salaries of Supervisors of Instruction	174,860	1,000	175,860	175,619	241
Salaries of Other Professional Staff	27,000		27,000	21,121	5,879
Purchased Prof-Educational Services	85,000		85,000	30,837	54,163
Other Purch Prof. and Tech. Services	9,000	(5,000)	4,000	3,360	640
Supplies and Materials	15,668		15,668	13,859	1,809
<b>Total Undist. Expend. - Improvement of Inst. Services</b>	<b>311,528</b>	<b>(4,000)</b>	<b>307,528</b>	<b>244,796</b>	<b>62,732</b>
<b>Undist. Expend. - Educational Media Serv./Sch. Library</b>					
Salaries	674,914	35,000	709,914	709,511	403
Salaries of Technology Coordinators	92,938	1,000	93,938	93,484	454
Other Purchased Services (400-500)	34,149	29	34,178	31,715	2,463
Supplies and Materials	499,394	357,544	856,938	836,540	20,398
Other Objects	759		759	660	99
<b>Total Undist. Expend. - Educational Media Serv./Sch. Library</b>	<b>1,302,154</b>	<b>393,573</b>	<b>1,695,727</b>	<b>1,671,910</b>	<b>23,817</b>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Salaries of Other Professional Staff	500		500		500
Other Purchased Services (400-500 Series)	29,772		29,772	27,390	2,382
Other Objects	340		340	89	251
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<b>30,612</b>		<b>30,612</b>	<b>27,479</b>	<b>3,133</b>
<b>Undist. Expend. - Supp. Serv. - General Administration</b>					
Salaries	454,716	(52,600)	402,116	401,240	876
Legal Services	68,000	(19,000)	49,000	48,355	645
Audit Fees	29,650		29,650	28,500	1,150
Architectural/Engineering Services	75,000	(10,800)	64,200	63,411	789
Other Purchased Professional Services	70,400	52,800	123,200	122,209	991
Purchased Technical Services	10,000	11,600	21,600	21,197	403
Communications/Telephone	47,100	54,000	101,100	99,971	1,129
BOE Other Purchased Services	5,500		5,500	354	5,146
Other Purch Services (400-500 Series)	277,922	(37,000)	240,922	240,769	153
General Supplies	52,753	55,200	107,953	107,928	25
Judgements Against The School District	25,000		25,000		25,000
Misc. Expenditures	6,500		6,500	1,160	5,340
BOE Membership Dues and Fees	31,500		31,500	22,833	8,667
<b>Total Undist. Expend. - Supp. Serv. - General Administration</b>	<b>1,154,041</b>	<b>54,200</b>	<b>1,208,241</b>	<b>1,157,927</b>	<b>50,314</b>
<b>Undist. Expend. - Support Serv. - School Administration</b>					
Salaries of Principals/Assistant Principals	1,155,205	(12,000)	1,143,205	976,544	166,661
Salaries of Secretarial and Clerical Assistants	641,706	12,000	653,706	641,326	12,380
Other Purchased Services (400-500 series)	91,123	(4,467)	86,656	82,925	3,731
Supplies and Materials	121,349	2,245	123,594	108,732	14,862
Other Objects	9,520	35	9,555	8,815	740
<b>Total Undist. Expend. - Support Serv. - School Administration</b>	<b>2,018,903</b>	<b>(2,187)</b>	<b>2,016,716</b>	<b>1,818,342</b>	<b>198,374</b>

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>Undist. Expend. - Central Services</b>					
Salaries	404,201		404,201	401,591	2,610
Purchased Professional Services	8,500		8,500	4,950	3,550
Misc. Pur Services (400-500 Series)	18,400		18,400	13,230	5,170
Supplies and Materials	28,000		28,000	28,000	
Miscellaneous Expenditures	2,000		2,000	1,426	574
<b>Total Undist. Expend. - Central Services</b>	<b>461,101</b>		<b>461,101</b>	<b>449,197</b>	<b>11,904</b>
<b>Undist. Expend. - Admin Info. Technology</b>					
Information Technology					
Purchased Technical Services	22,000		22,000	17,460	4,540
<b>Total Undist. Expend. - Support Serv. - Administrative</b>	<b>22,000</b>		<b>22,000</b>	<b>17,460</b>	<b>4,540</b>
<b>Undist. Expend. - Required Maint. for School Facilities (261)</b>					
Salaries	355,838	(45,000)	310,838	309,734	1,104
Cleaning, Repair and Maintenance Services	230,423	64,000	294,423	293,826	597
General Supplies	27,800	(2,000)	25,800	16,768	9,032
<b>Total Undist. Expend. - Required Maint. for School Facilities</b>	<b>614,061</b>	<b>17,000</b>	<b>631,061</b>	<b>620,328</b>	<b>10,733</b>
<b>Undist. Expend. - Oth. Oper. &amp; Maint. of Plant (262)</b>					
Salaries	1,479,560	(74,000)	1,405,560	1,404,464	1,096
Salaries of Non-Instructional Aides	225,480	67,000	292,480	292,361	119
Cleaning, Repair and Maintenance Services	256,763	19,000	275,763	273,607	2,156
Other Purchased Property Services	65,400	30,000	95,400	86,547	8,853
Insurance	298,235	(20,350)	277,885	269,810	8,075
Miscellaneous Purchased Services	5,540		5,540	3,162	2,378
General Supplies	300,810	56,000	356,810	355,999	811
Energy (Natural Gas)	389,000	(127,000)	262,000	229,547	32,453
Energy (Electricity)	558,500	(107,000)	451,500	434,355	17,145
Other Objects	29,881	(16,000)	13,881	12,730	1,151
<b>Total Undist. Expend. - Other Oper. &amp; Maint. Of Plant</b>	<b>3,609,169</b>	<b>(172,350)</b>	<b>3,436,819</b>	<b>3,362,582</b>	<b>74,237</b>
<b>Undist. Expend. - Care and Upkeep of Grounds (263)</b>					
Salaries	182,186		182,186	164,386	17,800
Cleaning, Repair and Maintenance Services	60,370	48,000	108,370	108,282	88
General Supplies	54,439	(11,000)	43,439	38,535	4,904
<b>Total Undist. Expend. - Care and Upkeep of Grounds</b>	<b>296,995</b>	<b>37,000</b>	<b>333,995</b>	<b>311,203</b>	<b>22,792</b>
<b>Undist. Expend. - Security (266)</b>					
Cleaning, Repair and Maintenance Services	8,940	34,000	42,940	42,918	22
<b>Total Undist. Expend. - Security</b>	<b>8,940</b>	<b>34,000</b>	<b>42,940</b>	<b>42,918</b>	<b>22</b>
<b>Undist. Expend. - Student Transportation Services (270)</b>					
Salaries for Pupil Trans (Bet Home & Sch) - Regular	86,500		86,500	58,315	28,185
Salaries for Pupil Trans (Bet Home & Sch) - Sp Ed	109,000		109,000	108,848	152
Cleaning, Repair and Maintenance Services	25,000		25,000	18,058	6,942
Contract Services (Between Home & School)-Vendors	262,060		262,060	261,781	279
Contract Services (Other than Between Home & School)-Vendors	108,951		108,951	105,565	3,386
Contract Services (Sp. Ed. Students)-Vendors	1,100,000	(157,200)	942,800	680,394	262,406
Contract Services - Aid in Lieu Pymts - NonPub Sch.	41,640	10,000	51,640	48,728	2,912
Misc. Purchased Services - Transportation	4,200		4,200	986	3,214
Transportation Supplies	37,086		37,086	30,271	6,815
<b>Total Undist. Expend. - Student Transportation Services</b>	<b>1,774,437</b>	<b>(147,200)</b>	<b>1,627,237</b>	<b>1,312,946</b>	<b>314,291</b>
<b>UNALLOCATED BENEFITS (291)</b>					
Social Security Contributions	628,709		628,709	583,335	45,374
Other Retirement Contributions-PERS	618,016	10,000	628,016	621,706	6,310
Workmen's Compensation	156,602	11,000	167,602	164,113	3,489
Health Benefits	7,531,618	(84,000)	7,447,618	5,758,174	1,689,444
Tuition Reimbursement	200,000	(20,000)	180,000	64,263	115,737
Other Employee Benefits	110,800	(46,000)	64,800	64,345	455
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>9,245,745</b>	<b>(129,000)</b>	<b>9,116,745</b>	<b>7,255,936</b>	<b>1,860,809</b>
On-behalf TPAF Post Retirement Medical (non-budgeted)				1,758,902	(1,758,902)
On-behalf NCGI Premium (non-budgeted)				1,555,521	(1,555,521)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,781,681	(1,781,681)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<b>5,096,104</b>	<b>(5,096,104)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>9,245,745</b>	<b>(129,000)</b>	<b>9,116,745</b>	<b>12,352,040</b>	<b>(3,235,295)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>28,247,659</b>	<b>(80,987)</b>	<b>28,166,672</b>	<b>29,917,128</b>	<b>(1,750,456)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>51,899,905</b>		<b>51,899,905</b>	<b>53,264,708</b>	<b>(1,364,803)</b>



## Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2013**

	<u>Original Budget</u>	<u>Budget Transfers/ Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
<b>Undistributed</b>					
Custodial Services	28,000		28,000	22,417	5,583
Care and Upkeep of Grounds	60,000		60,000	51,932	8,068
School Buses-Reg.	54,000		54,000	49,803	4,197
<b>Total Equipment</b>	<u>142,000</u>		<u>142,000</u>	<u>124,152</u>	<u>17,848</u>
<b>Facilities Acquisition and Construction Services</b>					
Construction Services	200,000		200,000	197,770	2,230
Assessment for Debt Service on SDA Funding	8,551		8,551	8,551	
<b>Total Facilities Acquisition and Construction Services</b>	<u>208,551</u>		<u>208,551</u>	<u>206,321</u>	<u>2,230</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>350,551</u>		<u>350,551</u>	<u>330,473</u>	<u>20,078</u>
<b>TOTAL EXPENDITURES</b>	<u>52,250,456</u>		<u>52,250,456</u>	<u>53,595,181</u>	<u>(1,344,725)</u>
 <b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	 <u>(1,588,618)</u>		 <u>(1,588,618)</u>	 <u>2,190,330</u>	 <u>3,778,948</u>
 <b>Other Financing Sources/(Uses):</b>					
Operating Transfers Out:					
Capital Reserve - Transfer to Capital Projects				(1,439,900)	(1,439,900)
<b>Total Other Financing Sources/(Uses):</b>				<u>(1,439,900)</u>	<u>(1,439,900)</u>
 <b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	 <u>(1,588,618)</u>		 <u>(1,588,618)</u>	 <u>750,430</u>	 <u>2,339,048</u>
 <b>Fund Balance, July 1</b>	 <u>7,945,759</u>		 <u>7,945,759</u>	 <u>7,945,759</u>	
 <b>Fund Balance, June 30</b>	 <u><u>6,357,141</u></u>		 <u><u>6,357,141</u></u>	 <u><u>8,696,189</u></u>	 <u><u>2,339,048</u></u>
 <b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Adjustment for Prior Year Encumbrances	(420,000)		(420,000)	(420,000)	
Increase in Capital Reserve:					
Principal	935,000		935,000	2,335,000	1,400,000
Interest Deposit to Capital Reserve	5,000		5,000		(5,000)
Withdrawal from Capital Reserve				(1,439,900)	(1,439,900)
Budgeted Fund Balance	<u>(2,108,618)</u>		<u>(2,108,618)</u>	<u>275,330</u>	<u>2,383,948</u>
	<u><u>(1,588,618)</u></u>		<u><u>(1,588,618)</u></u>	<u><u>750,430</u></u>	<u><u>2,339,048</u></u>
 <b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Excess Surplus - Current Year				2,341,639	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				2,316,006	
Capital Reserve				2,847,329	
<b>Assigned Fund Balance:</b>					
Designated for Subsequent Year's Expenditures				64,699	
<b>Unassigned Fund Balance</b>				<u>1,126,516</u>	
<b>Total Fund Balance per Governmental Funds (Budgetary)</b>				<u>8,696,189</u>	
<b>Recapitulation to Governmental Fund Statement (GAAP):</b>					
Less: Last State Aid Payment not Recognized GAAP Basis				<u>103,987</u>	
<b>Total Fund Balance per Governmental Funds (GAAP)</b>				<u><u>8,592,202</u></u>	

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2013**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources	290,339	36,846	327,185	279,222	(47,963)
Federal Sources	863,018	(15,147)	847,871	847,871	-
<b>Total Revenues</b>	<u>1,153,357</u>	<u>21,699</u>	<u>1,175,056</u>	<u>1,127,093</u>	<u>(47,963)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	32,000	(17,881)	14,119	14,119	-
Purchased Professional and Technical Services	37,240	(37,240)	-	-	-
Other Purchased Services (400-500 series)	638,644	(56,539)	602,105	602,105	-
General Supplies	42,771	87,945	130,716	130,710	6
Textbooks	41,596	1,997	43,593	42,277	1,316
<b>Total instruction</b>	<u>812,251</u>	<u>(21,718)</u>	<u>790,533</u>	<u>789,211</u>	<u>1,322</u>
<b>Support services:</b>					
Personal Services - Employee Benefits	6,400	(5,320)	1,080	1,080	-
Purchased Professional - Educational Services	306,343	62,642	368,985	322,344	46,641
Other Purchased Services (400-500 series)	10,434	(10,434)	-	-	-
Supplies and Materials	11,891	(11,891)	-	-	-
Other Objects	6,038	3,020	9,058	9,058	-
<b>Total support services</b>	<u>341,106</u>	<u>38,017</u>	<u>379,123</u>	<u>332,482</u>	<u>46,641</u>
<b>Facilities acquisition and const. serv.:</b>					
Noninstructional Equipment	-	5,400	5,400	5,400	-
<b>Total facilities acquisition and const. serv.</b>	<u>-</u>	<u>5,400</u>	<u>5,400</u>	<u>5,400</u>	<u>-</u>
<b>Total Expenditures</b>	<u>1,153,357</u>	<u>21,699</u>	<u>1,175,056</u>	<u>1,127,093</u>	<u>47,963</u>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures and Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**RAMSEY BOARD OF EDUCATION**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note to Required Supplementary Information**  
**Fiscal Year Ended June 30, 2013**

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and  
GAAP Revenues and Expenditures**

		General Fund	Special Revenue Fund
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	55,785,511	1,127,093
Difference - budget to GAAP:			
The last state aid payment is recognized for GAAP Statements in the current year, previously recognized for budgetary purposes		54,881	
The last state aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the state recognizes the related expense (GASB 33).		(103,987)	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>55,736,405</u>	<u>1,127,093</u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	53,595,181	1,127,093
Differences - budget to GAAP		NONE	NONE
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>53,595,181</u>	<u>1,127,093</u>

<b>SPECIAL REVENUE FUND</b>
-----------------------------

**RAMSEY BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2013**

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B		Title I, Part A	Title II, Part A Teacher & Principal Training & Recruiting	Totals 2013
		2012-13 Basic	2012-13 Preschool			
<b>REVENUES</b>						
State Sources	279,222	719,408	32,290	39,954	56,219	279,222
Federal Sources	-	-	-	-	-	847,871
<b>Total Revenues</b>	<b>279,222</b>	<b>719,408</b>	<b>32,290</b>	<b>39,954</b>	<b>56,219</b>	<b>1,127,093</b>
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	-	570,287	31,818	14,119	-	14,119
Other Purchased Services (400-500 series)	-	43,004	394	24,755	46,475	602,105
General Supplies	16,082	-	-	-	-	130,710
Textbooks	42,277	-	-	-	-	42,277
<b>Total instruction</b>	<b>58,359</b>	<b>613,291</b>	<b>32,212</b>	<b>38,874</b>	<b>46,475</b>	<b>789,211</b>
<b>Support services:</b>						
Personal Services - Employee Benefits	-	-	-	1,080	-	1,080
Purchased Professional - Educational Services	220,863	91,737	-	-	9,744	322,344
Other Objects	-	8,980	78	-	-	9,058
<b>Total support services</b>	<b>220,863</b>	<b>100,717</b>	<b>78</b>	<b>1,080</b>	<b>9,744</b>	<b>332,482</b>
<b>Facilities acquisition and const. serv.:</b>						
Noninstructional Equipment	-	5,400	-	-	-	5,400
	-	5,400	-	-	-	5,400
<b>Total Expenditures</b>	<b>279,222</b>	<b>719,408</b>	<b>32,290</b>	<b>39,954</b>	<b>56,219</b>	<b>1,127,093</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**RAMSEY BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2013**

	Total Brought Forward (Ex. E-1b)	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Nursing Aid	N.J. Nonpublic Technology Aid	N.J. Nonpublic Auxiliary Services, Chapter 192 English as a Second Language	Compensatory Education	Total Carried Forward
<b>REVENUES</b>							
State Sources	108,743	42,277	60,506	16,082	1,705	49,909	279,222
Federal Sources	-	-	-	-	-	-	-
<b>Total Revenues</b>	<b>108,743</b>	<b>42,277</b>	<b>60,506</b>	<b>16,082</b>	<b>1,705</b>	<b>49,909</b>	<b>279,222</b>
<b>EXPENDITURES:</b>							
<b>Instruction:</b>							
Salaries of Teachers	-	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	16,082	-	-	16,082
General Supplies	-	42,277	-	-	-	-	42,277
Textbooks	-	-	-	-	-	-	-
<b>Total instruction</b>	<b>-</b>	<b>42,277</b>	<b>-</b>	<b>16,082</b>	<b>-</b>	<b>-</b>	<b>58,359</b>
<b>Support services:</b>							
Personal Services - Employee Benefits	-	-	-	-	-	-	-
Purchased Professional - Educational Services	108,743	-	60,506	-	1,705	49,909	220,863
Other Objects	-	-	-	-	-	-	-
<b>Total support services</b>	<b>108,743</b>	<b>-</b>	<b>60,506</b>	<b>-</b>	<b>1,705</b>	<b>49,909</b>	<b>220,863</b>
<b>Facilities acquisition and const. serv.:</b>							
Noninstructional Equipment	-	-	-	-	-	-	-
<b>Total facilities acquisition and const. serv.</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenditures</b>	<b>108,743</b>	<b>42,277</b>	<b>60,506</b>	<b>16,082</b>	<b>1,705</b>	<b>49,909</b>	<b>279,222</b>
<b>Excess (Deficiency) of Revenues Over (Under)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**RAMSEY BOARD OF EDUCATION**

**Special Revenue Fund**

**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**

**Fiscal Year Ended June 30, 2013**

	<b>N.J. Nonpublic Handicapped Services, Chapter 193</b>			<b>Total Carried Forward</b>
	<b>Supplemental Instruction</b>	<b>Examination &amp; Classification</b>	<b>Corrective Speech</b>	
<b>REVENUES</b>				
State Sources	20,883	77,079	10,781	108,743
Federal Sources				-
<b>Total Revenues</b>	<u>20,883</u>	<u>77,079</u>	<u>10,781</u>	<u>108,743</u>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Salaries of Teachers				-
Other Purchased Services (400-500 series)				-
General Supplies				-
Textbooks				-
<b>Total instruction</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Support services:</b>				
Personal Services - Employee Benefits				-
Purchased Professional - Educational Services	20,883	77,079	10,781	108,743
Other Objects				
<b>Total support services</b>	<u>20,883</u>	<u>77,079</u>	<u>10,781</u>	<u>108,743</u>
<b>Facilities acquisition and const. serv.:</b>				
Noninstructional Equipment				-
<b>Total facilities acquisition and const. serv.</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>20,883</u>	<u>77,079</u>	<u>10,781</u>	<u>108,743</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**CAPITAL PROJECTS FUND**



**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budgetary Basis**  
**Fiscal Year Ended June 30, 2013**

**Revenues and Other Financing Sources**

State Sources - SCC Grant	-
Bond proceeds and transfers	-
Contribution from Private Sources	-
County Sources - County Grant	-
Transfers from Capital Reserve	1,439,900
Transfers from Capital Outlay	-
Interest on Investments	216
	<hr/>
	1,440,116
	<hr/>

**Expenditures and Other Financing Uses**

Purchased professional and technical services	-
Land and improvements	-
Construction services	1,439,900
Equipment purchases	-
Transfer to Capital Reserve	-
Transfer to Debt Service Fund	216
	<hr/>
	1,440,116
	<hr/>

Excess (deficiency) of revenues over (under) expenditures	-
Fund balance - beginning	<hr/> 152,984
Fund balance - ending	<hr/> <hr/> 152,984
Recapitulation:	
Unrestricted Fund Balance	152,984
Reconciliation to Governmental Funds Statements (GAAP):	
SDA Grant Receivable not Recognized on GAAP Basis	<hr/> (46,391)
Fund Balance per Governmental Funds	<hr/> <hr/> 106,593

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	367,522		367,522	367,522
Bond proceeds and transfers	945,536		945,536	945,536
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>1,313,058</u>	<u>-</u>	<u>1,313,058</u>	<u>1,313,058</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	1,302,981		1,302,981	1,302,981
Equipment purchases	-		-	-
Transfer to Capital Reserve	10,077		10,077	10,077
	<u>1,313,058</u>	<u>-</u>	<u>1,313,058</u>	<u>1,313,058</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	SP2502324			
Grant Date	8/5/2002			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,313,059.00			
Additional authorized cost				
Revised authorized cost	1,313,059.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	June 2003			
Revised target completion date	June 2003			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	309,491		309,491	309,491
Bond proceeds and transfers	2,057,660		2,057,660	2,057,660
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>2,367,151</u>	<u>-</u>	<u>2,367,151</u>	<u>2,367,151</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	227,772		227,772	227,772
Land and improvements	-		-	-
Construction services	2,139,379		2,139,379	2,139,379
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>2,367,151</u>	<u>-</u>	<u>2,367,151</u>	<u>2,367,151</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-070-03-1049			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	2,297,470.00			
Additional authorized cost	69,681.00			
Revised authorized cost	2,367,151.00			
Percentage increase over original authorized cost	0.03			
Percentage completion	100%			
Original target completion date	June 2005			
Revised target completion date	June 2005			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	1,194,641		1,194,641	1,194,641
Bond proceeds and transfers	2,303,411		2,303,411	2,303,411
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>3,498,052</u>	<u>-</u>	<u>3,498,052</u>	<u>3,498,052</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	463,939		463,939	463,939
Land and improvements	-		-	-
Construction services	3,034,113		3,034,113	3,034,113
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>3,498,052</u>	<u>-</u>	<u>3,498,052</u>	<u>3,498,052</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-03-1048			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	3,484,745.00			
Additional authorized cost	13,307.00			
Revised authorized cost	3,498,052.00			
Percentage increase over original authorized cost	0.00			
Percentage completion	100%			
Original target completion date	October 2006			
Revised target completion date	October 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	552,603		552,603	552,603
Bond proceeds and transfers	4,671,696		4,671,696	4,671,696
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>5,224,299</u>	<u>-</u>	<u>5,224,299</u>	<u>5,224,299</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	424,331		424,331	424,331
Land and improvements	-		-	-
Construction services	4,787,641		4,787,641	4,799,968
Equipment purchases	-		-	-
	<u>5,211,972</u>	<u>-</u>	<u>5,211,972</u>	<u>5,224,299</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,327</u>	<u>-</u>	<u>12,327</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-050-03-1051			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	4,542,187.00			
Additional authorized cost	682,112.00			
Revised authorized cost	5,224,299.00			
Percentage increase over original authorized cost	0.15			
Percentage completion	100%			
Original target completion date	September 2006			
Revised target completion date	September 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	3,706,560		3,706,560	3,706,560
Bond proceeds and transfers	14,401,458		14,401,458	14,401,458
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>18,108,018</u>	<u>-</u>	<u>18,108,018</u>	<u>18,108,018</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	1,486,120		1,486,120	1,486,120
Land and improvements	-		-	-
Construction services	16,621,898		16,621,898	16,621,898
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>18,108,018</u>	<u>-</u>	<u>18,108,018</u>	<u>18,108,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-03-1050			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	18,873,118.00			
Additional authorized cost	(765,100.00)			
Revised authorized cost	18,108,018.00			
Percentage increase over original authorized cost	(0.04)			
Percentage completion	100%			
Original target completion date	May 2006			
Revised target completion date	May 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Building Partial Roof Replacement**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	98,116		98,116	98,116
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	200,574		200,574	200,574
Transfers from Capital Outlay	-		-	-
	<u>298,690</u>	<u>-</u>	<u>298,690</u>	<u>298,690</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	274,010		274,010	298,690
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>274,010</u>	<u>-</u>	<u>274,010</u>	<u>298,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,680</u>	<u>-</u>	<u>24,680</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-05-1000-NE			
Grant Date	7/29/2005			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	298,690.00			
Additional authorized cost				
Revised authorized cost	298,690.00			
Percentage increase over original authorized cost	-			
Percentage completion	92%			
Original target completion date	August 2007			
Revised target completion date	August 2007			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School PEC Sprinkler Systems**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	41,384		41,384	41,384
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	62,076		62,076	62,076
Transfers from Capital Outlay	-		-	-
	<u>103,460</u>	<u>-</u>	<u>103,460</u>	<u>103,460</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	89,000		89,000	103,460
Equipment purchases	-		-	-
	<u>89,000</u>	<u>-</u>	<u>89,000</u>	<u>103,460</u>
Excess (deficiency) of revenues over (under) expenditures	<u>14,460</u>	<u>-</u>	<u>14,460</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	1310-050-090-1001-G02			
Grant Date	6/19/2009			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	103,460.00			
Additional authorized cost				
Revised authorized cost	103,460.00			
Percentage increase over original authorized cost	-			
Percentage completion	86%			
Original target completion date	October 2010			
Revised target completion date	October 2010			



**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Lighting of Existing Artificial Turf Field**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	-	-	-	-
Bond proceeds and transfers	-	-	-	-
Contribution from Private Sources	91,392	-	91,392	91,392
Local Sources - County Grant	101,042	-	101,042	101,042
Transfers from Capital Reserve	-	-	-	-
Transfers from Capital Outlay	-	-	-	-
	<u>192,434</u>	<u>-</u>	<u>192,434</u>	<u>192,434</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	192,434	-	192,434	192,434
Equipment purchases	-	-	-	-
	<u>192,434</u>	<u>-</u>	<u>192,434</u>	<u>192,434</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	OSTFMP-RAMBOE-09-01			
Grant Date	June 22, 2010			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	192,434.00			
Additional authorized cost				
Revised authorized cost	192,434.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	June 29, 2011			
Revised target completion date	June 29, 2011			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Partial Roof Replacement and HVAC Upgrades**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant	127,108		127,108	127,108
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	190,662		190,662	190,662
Transfers from Capital Outlay	-		-	-
	<u>317,770</u>	<u>-</u>	<u>317,770</u>	<u>317,770</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	216,253		216,253	317,770
Equipment purchases	-		-	-
	<u>216,253</u>	<u>-</u>	<u>216,253</u>	<u>317,770</u>
Excess (deficiency) of revenues over (under) expenditures	<u>101,517</u>	<u>-</u>	<u>101,517</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-050-10-1001-G0PB			
Grant Date	9/1/2010			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	317,770.00			
Additional authorized cost				
Revised authorized cost	317,770.00			
Percentage increase over original authorized cost	-			
Percentage completion	68%			
Original target completion date	January 1, 2011			
Revised target completion date	January 1, 2011			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Hubbard Elementary School Boiler Replacement**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
Transfers from Capital Reserve		389,900	389,900	389,900
Transfers from Capital Outlay	-		-	-
	-	389,900	389,900	389,900
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services		389,900	389,900	389,900
Equipment purchases	-		-	-
	-	389,900	389,900	389,900
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>Additional project information:</b>				
Project number	4310-070-12-2000			
Grant Date	2/8/2012			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	389,900.00			
Additional authorized cost				
Revised authorized cost	389,900.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	June 30, 2013			
Revised target completion date	June 30, 2013			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Tisdale Elementary School Partial Roof Replacement**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	-
Bond proceeds and transfers			-	-
Transfers from Capital Reserve		550,000	550,000	550,000
Transfers from Capital Outlay	-		-	-
	<u>-</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services		550,000	550,000	550,000
Equipment purchases	-		-	-
	<u>-</u>	<u>550,000</u>	<u>550,000</u>	<u>550,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-080-12-1000			
Grant Date	2/2/2012			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	550,000.00			
Additional authorized cost				
Revised authorized cost	550,000.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	December 31, 2012			
Revised target completion date	December 31, 2012			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Hubbard Elementary School Partial Roof Replacement**  
**Fiscal Year Ended June 30, 2013**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources - SCC Grant			-	-
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve		500,000	500,000	500,000
Transfers from Capital Outlay	-		-	-
	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services		500,000	500,000	500,000
Equipment purchases	-		-	-
	<u>-</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-070-12-1000			
Grant Date	2/2/2012			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	500,000.00			
Additional authorized cost				
Revised authorized cost	500,000.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	December 31, 2012			
Revised target completion date	December 31, 2012			

RAMSEY BOARD OF EDUCATION  
Capital Projects Fund  
Summary Statement of Project Expenditures  
Fiscal Year Ended June 30, 2013

Project Title/Issue	Date	Appropriations	Expenditures to Date		Operating Transfer to Capital Reserve	Unexpended Balance June 30, 2013
			Prior Years	Current Year		
Wesley D. Tisdale Elementary School Building Additions	August 5, 2002	1,313,058	1,313,058			-
Mary A. Hubbard Elementary School Building Additions and Renovations	September 23, 2003	2,367,151	2,367,151			-
Eric S. Smith Middle School Building Additions and Renovations	September 23, 2003	3,498,052	3,498,052			-
Ramsey High School Building Additions and Renovations	September 23, 2003	5,224,299	5,211,972			12,327
John Y. Dater Elementary School Additions, Renovations and Construction of New School	September 23, 2003	18,108,018	18,108,018			-
Ramsey High School Building Partial Roof Replacement	July 29, 2005	298,690	274,010			24,680
Ramsey HS PEC Sprinkler Systems	June 19, 2009	103,460	89,000			14,460
Ramsey High School Lighting of Existing Artificial Turf Field	June 22, 2010	192,434	192,434			-
Ramsey High School Partial Roof Replacement and HVAC Upgrades	September 1, 2010	317,770	216,253			101,517
Hubbard Elementary School Boiler Replacement	February 8, 2012	389,900		389,900		-
Tisdale Elementary School Partial Roof Replacement	February 2, 2012	550,000		550,000		-
Hubbard Elementary School Partial Roof Replacement	February 2, 2012	500,000		500,000		-
		32,862,832	31,269,948	1,439,900	-	152,984

## **PROPRIETARY FUNDS**

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Net Position**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Food Service Program</b>	<b>Totals</b>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	63,493	63,493
Accounts receivable:		
State	605	605
Federal	5,341	5,341
Interfund - General Fund	165,185	165,185
Other	11,045	11,045
Inventories	4,560	4,560
Total current assets	<u>250,229</u>	<u>250,229</u>
Noncurrent assets:		
Capital assets:		
Equipment	471,573	471,573
Less accumulated depreciation	<u>(436,744)</u>	<u>(436,744)</u>
Total capital assets (net of accumulated depreciation)	<u>34,829</u>	<u>34,829</u>
Total assets	<u><u>285,058</u></u>	<u><u>285,058</u></u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	<u>19,561</u>	<u>19,561</u>
Total current liabilities	<u>19,561</u>	<u>19,561</u>
Total liabilities	<u>19,561</u>	<u>19,561</u>
<b>NET POSITION</b>		
Net investment in capital assets	34,829	34,829
Unrestricted	<u>230,668</u>	<u>230,668</u>
Total net position	<u><u>265,497</u></u>	<u><u>265,497</u></u>



**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Food Service Program</b>	<b>Totals</b>
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	207,851	207,851
Daily sales - non-reimbursable programs	303,396	303,396
Special functions	86,525	86,525
Total operating revenues	<u>597,772</u>	<u>597,772</u>
Operating expenses:		
Cost of sales	269,235	269,235
Salaries	247,212	247,212
Benefits	80,056	80,056
Supplies and materials	19,214	19,214
Purchased property services	50,270	50,270
Cleaning repair & maintenance	47,116	47,116
Depreciation	16,910	16,910
Total Operating Expenses	<u>730,013</u>	<u>730,013</u>
Operating income (loss)	<u>(132,241)</u>	<u>(132,241)</u>
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	4,196	4,196
Federal sources:		
National school lunch program	60,273	60,273
Food distribution program	29,446	29,446
Insurance Reimbursements	12,706	12,706
Interest Income	25	25
Total nonoperating revenues (expenses)	<u>106,646</u>	<u>106,646</u>
Income (loss) before contributions & transfers	<u>(25,595)</u>	<u>(25,595)</u>
Total net position—beginning (restated)	<u>291,092</u>	<u>291,092</u>
Total net position—ending	<u><u>265,497</u></u>	<u><u>265,497</u></u>

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Cash Flows**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Food Service Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	598,598	598,598
Payments to suppliers	(707,221)	(707,221)
Net cash provided by (used for) operating activities	(108,623)	(108,623)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and dividends	25	25
Net cash provided by (used for) investing activities	25	25
Net increase (decrease) in cash and cash equivalents	(108,598)	(108,598)
Balances—beginning of year	172,091	172,091
Balances—end of year	63,493	63,493
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	(132,241)	(132,241)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
(Increase) decrease in accounts receivable	1,221	1,221
Depreciation and net amortization	16,910	16,910
Food Distribution Program	29,446	29,446
(Increase) decrease in inventories	(2,309)	(2,309)
Increase (decrease) in accounts payable	(21,650)	(21,650)
Total adjustments	23,618	23,618
Net cash provided by (used for) operating activities	(108,623)	(108,623)

**FIDUCIARY FUND**

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2013**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Funds</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	234,471	35,009	1,202,472
Interfund Receivable	<u>14,895</u>		
Total assets	<u>249,366</u>	<u>35,009</u>	<u>1,202,472</u>
<b>LIABILITIES</b>			
Payable to student groups			888,887
Payroll deductions and withholdings			291,799
Contributions Pledged to Specific Awards			6,891
Due to State of NJ	350		
Interfund Payable			<u>14,895</u>
Total liabilities	<u>350</u>	<u>-</u>	<u>1,202,472</u>
<b>NET Position</b>			
Held in trust for unemployment claims and other purposes	<u>249,016</u>		
Reserved for scholarships		<u>35,009</u>	

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2013**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Funds</b>
<b>ADDITIONS</b>		
Contributions:		
Payroll withholdings	47,248	
Donations		750
Total Contributions	<u>47,248</u>	<u>750</u>
Investment earnings:		
Interest	195	
Net investment earnings	<u>195</u>	<u>-</u>
Total additions	<u>47,443</u>	<u>750</u>
<b>DEDUCTIONS</b>		
Unemployment Claims	19,974	
Scholarships awarded		4,450
Total deductions	<u>19,974</u>	<u>4,450</u>
Change in net position	27,469	(3,700)
Net position—beginning of the year	<u>221,547</u>	<u>38,709</u>
Net position—end of the year	<u><u>249,016</u></u>	<u><u>35,009</u></u>

**RAMSEY BOARD OF EDUCATION**  
**Student Activity Agency Fund**  
**Schedule of Receipts and Disbursements**  
**Fiscal Year Ended June 30, 2013**

	<u>Balance July 1, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2013</u>
Elementary Schools:				
Wesley D. Tisdale School	4,550	26,698	24,542	6,706
Mary A. Hubbard School	1,755	24,947	25,428	1,274
John Y. Dater School	2,117	21,386	19,500	4,003
Total Elementary Schools	<u>8,422</u>	<u>73,031</u>	<u>69,470</u>	<u>11,983</u>
Middle School:				
Eric S. Smith School	<u>23,388</u>	<u>88,378</u>	<u>84,950</u>	<u>26,816</u>
Total Middle Schools	<u>23,388</u>	<u>88,378</u>	<u>84,950</u>	<u>26,816</u>
High School:				
High School	<u>188,877</u>	<u>308,955</u>	<u>295,452</u>	<u>202,380</u>
Total High Schools	<u>188,877</u>	<u>308,955</u>	<u>295,452</u>	<u>202,380</u>
Athletic Departments:				
Athletic Department	<u>109</u>	<u>114,619</u>	<u>114,121</u>	<u>607</u>
Total Athletic Department	<u>109</u>	<u>114,619</u>	<u>114,121</u>	<u>607</u>
Adult Education:				
Due to Nonsupportive Enrichment Adult Program	<u>409,726</u>	<u>1,367,770</u>	<u>1,130,395</u>	<u>647,101</u>
Total Adult Education	<u>409,726</u>	<u>1,367,770</u>	<u>1,130,395</u>	<u>647,101</u>
Total All Schools	<u>\$ 630,522</u>	<u>1,952,753</u>	<u>1,694,388</u>	<u>888,887</u>

**RAMSEY BOARD OF EDUCATION**  
**Payroll Agency Fund**  
**Schedule of Receipts and Disbursements**  
**Fiscal Year Ended June 30, 2013**

	<u>Balance July 1, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2013</u>
Net Payroll	188	20,409,968	20,408,392	1,764
Payroll Deductions and Withholdings	223,827	15,518,789	15,466,995	275,621
Flexible Spending Account		32,874	18,460	14,414
Interfund Payable - UCI	13,142	14,614	12,861	14,895
	<u>237,157</u>	<u>35,976,245</u>	<u>35,906,708</u>	<u>306,694</u>

**RAMSEY BOARD OF EDUCATION**  
**Contributions Pledged to Specific Awards**  
**Schedule of Receipts and Disbursements**  
**Fiscal Year Ended June 30, 2013**

	<u>Balance July 1, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2013</u>
Contributions Pledged to Specific Awards	<u>13,705</u>	<u>39,415</u>	<u>46,229</u>	<u>6,891</u>
Total Contributions Pledged to Specific Awards	<u><u>13,705</u></u>	<u><u>39,415</u></u>	<u><u>46,229</u></u>	<u><u>6,891</u></u>



## **LONG-TERM DEBT**

**RAMSEY BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Serial Bonds**  
**June 30, 2013**

<u>Issue</u>	<u>Date of Loan</u>	<u>Amount of Loan</u>	<u>Principal Payment</u>		<u>Interest Rate</u>	<u>Balance, June 30, 2012</u>	<u>Retired</u>	<u>Balance, June 30, 2013</u>
			<u>Date</u>	<u>Amount</u>				
School Improvements	May 15, 2002	6,120,000				630,000	630,000	-
						630,000	630,000	-
School Improvements	December 15, 2003	23,434,000	1/15/14	1,110,000	4.00%	2,175,000	1,065,000	1,110,000
						2,175,000	1,065,000	1,110,000
Refunding Bond	April 4, 2012	16,700,000	1/15/14	705,000	2.00%	16,700,000	230,000	16,470,000
			1/15/15	1,850,000	2.00%			
			1/15/16	1,850,000	2.00%			
			1/15/17	1,865,000	3.00%			
			1/15/18	1,310,000	3.00%			
			1/15/19	1,355,000	3.00%			
			1/15/20	1,395,000	3-4%			
			1/15/21	1,455,000	3.000%			
			1/15/22	1,500,000	4.00%			
			1/15/23	1,560,000	4.00%			
			1/15/24	1,625,000	5.00%			
						16,700,000	230,000	16,470,000
						\$ 19,505,000	1,925,000	17,580,000

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2013**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	2,545,340		2,545,340	2,545,340	-
Total - Local Sources	2,545,340	-	2,545,340	2,545,340	-
<b>Total Revenues</b>	<b>2,545,340</b>	<b>-</b>	<b>2,545,340</b>	<b>2,545,340</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	853,942	(230,000)	623,942	525,302	(98,640)
Redemption of Principal	1,695,000	230,000	1,925,000	1,925,000	-
Total Regular Debt Service	2,548,942	-	2,548,942	2,450,302	(98,640)
<b>Total expenditures</b>	<b>2,548,942</b>	<b>-</b>	<b>2,548,942</b>	<b>2,450,302</b>	<b>(98,640)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,602)	-	(3,602)	95,038	98,640
Other Financing Sources:					
Operating Transfers In:					
Premium on Note Issued				15,227	15,227
Interest Earned in Capital Project Fund				216	216
Total Other Financing Sources	-	-	-	15,443	15,443
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(3,602)	-	(3,602)	110,481	114,083
Fund Balance, July 1	3,602	-	3,602	8,032	4,430
Fund Balance, June 30	-	-	-	118,513	118,513
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Budgeted Fund Balance	(3,602)		(3,602)	95,038	98,640
Premium on Note				15,227	15,227
Interest Earned in Capital Project Fund				216	216
	(3,602)	-	(3,602)	110,481	114,083

## STATISTICAL SECTION

## **STATISTICAL SECTION (UNAUDITED)**

### **Introduction to the Statistical Section**

#### **Financial Trends**

- J-1 Net Assets/Position by Component
- J-2 Changes in Net Assets/Position
- J-3 Fund Balances - Governmental Funds
- J-4 Changes in Fund Balances - Governmental Funds
- J-5 General Fund Other Local Revenue by Source

#### **Revenue Capacity**

- J-6 Assessed Value and Estimated Actual Value of Taxable Property
- J-7 Direct and Overlapping Property Tax Rates
- J-8 Principal Property Taxpayers
- J-9 Property Tax Levies and Collections

#### **Debt Capacity**

- J-10 Ratios of Outstanding Debt by Type
- J-11 Ratios of General Bonded Debt Outstanding
- J-12 Direct and Overlapping Governmental Activities Debt
- J-13 Legal Debt Margin Information

#### **Demographic and Economic Information**

- J-14 Demographic and Economic Statistics
- J-15 Principal Employers

#### **Operating Information**

- J-16 Full-time Equivalent District Employees by Function/Program
- J-17 Operating Statistics
- J-18 School Building Information\*
- J-19 Schedule of Allowable Maintenance Expenditures by School Facility
- J-20 Insurance Schedule

## STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

### J SERIES

#### Contents

#### Page

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.

**J-1 to J-5**

#### **Revenue Capacity**

These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.

**J-6 to J-9**

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

**J-10 to J-13**

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

**J-14 to J-15**

#### **Operating Information**

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

**J-16 to J-20**

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.

Ramsey Board of Education  
Net Assets/Position\* by Component  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 6,155,203	\$ 9,885,447	\$ 5,532,794	\$ 12,143,452	\$ 13,530,024	\$ 13,954,258	\$ 14,217,638	\$ 15,273,557	\$ 14,628,397	\$ 17,432,803
Restricted	28,331,405	21,141,355	7,451,798	2,499,439	1,727,240	2,550,026	3,510,123	4,375,566	6,911,478	7,794,779
Unrestricted	(23,500,500)	(18,477,198)	(74,303)	132,624	(134,265)	(450,212)	(264,084)	(165,952)	(17,482)	(295,447)
Total governmental activities net position	\$ 10,986,108	\$ 12,549,604	\$ 12,910,289	\$ 14,775,515	\$ 15,122,999	\$ 16,054,072	\$ 17,463,677	\$ 19,483,171	\$ 21,522,393	\$ 24,932,135
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 15,917	\$ 13,179	\$ 11,200	\$ 182,956	\$ 182,951	\$ 160,821	\$ 142,242	\$ 172,449	\$ 181,888	\$ 34,829
Restricted	130,068	138,095	167,834	230,380	269,281	297,565	290,411	268,288	239,353	230,668
Unrestricted	\$ 145,985	\$ 151,274	\$ 179,034	\$ 413,336	\$ 452,232	\$ 458,386	\$ 432,653	\$ 440,737	\$ 421,241	\$ 265,497
Total business-type activities net position										
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 6,171,120	\$ 9,898,626	\$ 5,543,994	\$ 12,326,408	\$ 13,712,975	\$ 14,115,079	\$ 14,359,880	\$ 15,446,006	\$ 14,810,285	\$ 17,467,632
Restricted	28,331,405	21,141,355	7,451,798	2,499,439	1,727,240	2,550,026	3,510,123	4,375,566	6,911,478	7,794,779
Unrestricted	(23,370,432)	(18,339,103)	93,531	363,004	135,016	(152,647)	26,327	102,336	221,871	(64,779)
Total district net position	\$ 11,132,093	\$ 12,700,878	\$ 13,089,323	\$ 15,188,851	\$ 15,575,231	\$ 16,512,458	\$ 17,896,330	\$ 19,923,908	\$ 21,943,634	\$ 25,197,632

Source: CAFR Schedule A-1

\* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013 which changed Net Assets to Net Position.

**Ramsey Board of Education**  
**Changes in Net Assets/Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 15,129,994	\$ 16,031,506	\$ 17,018,385	\$ 18,031,316	\$ 18,838,009	\$ 19,400,100	\$ 21,022,394	\$ 21,340,017	\$ 21,268,865	\$ 21,847,647
Special education	3,825,120	4,139,680	4,679,258	5,403,849	5,625,028	5,811,653	5,783,787	4,919,294	4,590,023	4,651,567
Other special education	1,054,325	1,009,161	1,107,254	865,571	1,208,876	1,237,458	1,044,853	842,159	925,934	924,521
Other instruction	774,213	808,374	846,843	930,976	973,365	1,046,027	1,046,586	1,023,763	1,055,248	1,099,984
Support Services:										
Tuition	2,307,927	2,934,020	2,340,361	2,175,810	2,729,687	2,516,482	1,945,016	2,758,946	2,988,157	2,336,364
Student & instruction related services	4,950,260	4,962,306	6,070,875	6,122,216	6,303,710	6,910,938	7,041,305	7,203,833	7,124,675	7,733,785
General administrative services	1,957,986	1,420,368	1,322,446	1,346,644	1,118,308	1,500,420	1,114,013	1,239,011	1,295,683	1,247,047
School administrative services	1,162,769	1,816,910	2,243,484	2,211,433	2,232,781	2,397,196	2,152,701	2,275,194	2,320,494	2,177,689
Central services	-	353,886	414,089	369,167	472,582	492,412	513,877	533,362	540,506	538,395
Administrative information tech.	-	15,500	16,000	49,956	16,980	17,460	17,460	17,460	17,460	17,460
Business administrative services	464,538	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	3,188,947	3,525,517	3,866,368	4,256,897	4,388,776	4,196,998	4,319,354	4,518,777	4,837,580	4,792,863
Pupil transportation	1,296,040	1,470,713	1,500,168	1,577,582	1,775,989	1,702,849	1,716,737	1,635,220	1,515,917	1,350,075
Unallocated Benefits	2,924,179	3,103,813	3,602,241	5,059,233	5,144,653	3,230,696	3,268,891	3,205,691	4,082,254	5,163,141
Capital outlay - non-depreciable	2,416,980	5,802	34,563	7,753	324,216	548	-	17,175	6,230	6,230
Interest on long-term debt	899,741	1,331,358	1,172,386	1,146,172	1,224,900	1,207,941	1,074,845	967,729	630,270	664,734
Unallocated depreciation	643,641	647,409	647,409	1,382,205	1,350,633	1,403,024	1,394,330	1,333,946	1,215,320	1,603,072
Capital lease obligations and amortization	-	-	-	-	-	-	-	-	1,204,483	(121,848)
Total governmental activities expenses	42,956,660	43,576,323	46,882,130	50,936,780	53,728,493	53,072,202	53,456,169	53,831,577	55,619,099	56,026,496
Business-type activities:										
Food service	715,932	749,606	719,793	699,586	751,601	703,250	787,647	785,738	809,196	730,013
Total business-type activities expense	715,932	749,606	719,793	699,586	751,601	703,250	787,647	785,738	809,196	730,013
Total district expenses	\$ 43,672,592	\$ 44,325,929	\$ 47,601,923	\$ 51,636,366	\$ 54,480,094	\$ 53,775,452	\$ 54,243,816	\$ 54,617,315	\$ 56,428,295	\$ 56,756,509
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 818,925	\$ 927,115	\$ 938,724	\$ 1,069,304	\$ 1,107,207	\$ 1,172,014	\$ 1,810,537	\$ 1,178,123	\$ 1,123,278	\$ 1,121,693
Capital grants and contributions	-	-	-	-	-	-	35,600	-	-	-
Total governmental activities program revenues	818,925	927,115	938,724	1,069,304	1,107,207	1,172,014	1,846,137	1,178,123	1,123,278	1,121,693



**Ramsey Board of Education**  
**Changes in Net Assets/Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Business-type activities:</b>										
Charges for services	685,051	703,683	689,269	672,938	691,339	631,450	692,468	709,350	692,178	597,772
Food service	55,170	51,212	58,284	64,139	74,103	75,486	88,025	84,472	97,522	93,915
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	740,221	754,895	747,553	737,077	765,442	706,936	780,493	793,822	789,700	691,687
Total business-type activities program revenues	<u>\$ 1,559,146</u>	<u>\$ 1,682,010</u>	<u>\$ 1,686,277</u>	<u>\$ 1,806,381</u>	<u>\$ 1,872,649</u>	<u>\$ 1,878,550</u>	<u>\$ 2,626,650</u>	<u>\$ 1,971,945</u>	<u>\$ 1,912,978</u>	<u>\$ 1,813,380</u>
Total district program revenues										
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (42,137,735)	\$ (42,649,208)	\$ (45,943,406)	\$ (49,867,476)	\$ (52,621,286)	\$ (51,900,188)	\$ (51,610,012)	\$ (52,653,454)	\$ (54,495,821)	\$ (54,904,803)
Business-type activities	24,289	5,289	27,760	37,491	13,841	3,686	(7,154)	8,084	(19,496)	(38,326)
Total district-wide net expense	<u>\$ (42,113,446)</u>	<u>\$ (42,643,919)</u>	<u>\$ (45,915,646)</u>	<u>\$ (49,829,985)</u>	<u>\$ (52,607,445)</u>	<u>\$ (51,896,502)</u>	<u>\$ (51,617,166)</u>	<u>\$ (52,645,370)</u>	<u>\$ (54,515,317)</u>	<u>\$ (54,943,129)</u>
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 32,911,133	\$ 34,181,499	\$ 36,109,734	\$ 39,011,486	\$ 40,527,656	\$ 41,700,559	\$ 43,243,170	\$ 46,159,075	\$ 46,954,695	\$ 47,541,824
Taxes levied for debt service	765,527	2,553,451	2,398,810	2,190,293	2,305,310	2,354,723	2,556,156	2,577,389	2,556,822	2,545,340
Unrestricted grants and contributions	5,118,736	5,306,493	5,712,838	7,239,716	7,188,589	5,716,800	5,241,212	3,957,151	5,454,640	6,819,525
Federal and State aid - Capital Outlay	1,646,353	1,616,382	1,573,144	1,667,528	1,330,514	1,726,885	1,690,798	1,547,116	1,510,925	1,329,177
Tuition received	31,727	28,995	26,951	13,301	14,081	23,916	15,830	22,297	24,562	23,677
Investment earnings	107,453	394,818	418,238	459,974	168,198	68,529	39,893	51,977	185	216
Miscellaneous income	82,936	131,066	64,376	121,476	52,217	876,956	232,538	357,943	33,214	37,429
State aid - State Facilities Grant	5,763,295	-	-	98,116	-	-	-	-	-	-
Total governmental activities	<u>46,427,160</u>	<u>44,212,704</u>	<u>46,304,091</u>	<u>50,801,890</u>	<u>51,586,565</u>	<u>52,468,368</u>	<u>53,019,617</u>	<u>54,672,948</u>	<u>56,535,043</u>	<u>58,302,588</u>
<b>Business-type activities:</b>										
Investment earnings	-	-	-	-	-	-	-	-	-	25
Miscellaneous income	-	-	-	-	-	-	-	-	-	12,706
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,731</u>
Total district-wide	<u>\$ 46,427,160</u>	<u>\$ 44,212,704</u>	<u>\$ 46,304,091</u>	<u>\$ 50,801,890</u>	<u>\$ 51,586,565</u>	<u>\$ 52,468,368</u>	<u>\$ 53,019,617</u>	<u>\$ 54,672,948</u>	<u>\$ 56,535,043</u>	<u>\$ 58,315,319</u>
<b>Change in Net Position</b>										
Governmental activities	\$ 4,289,425	\$ 1,563,496	\$ 360,685	\$ 934,414	\$ (1,034,721)	\$ 568,180	\$ 1,409,605	\$ 2,019,494	\$ 2,039,222	\$ 3,397,785
Business-type activities	24,289	5,289	27,760	37,491	13,841	3,686	(7,154)	8,084	(19,496)	(25,595)
Total district	<u>\$ 4,313,714</u>	<u>\$ 1,568,785</u>	<u>\$ 388,445</u>	<u>\$ 971,905</u>	<u>\$ (1,020,880)</u>	<u>\$ 571,866</u>	<u>\$ 1,402,451</u>	<u>\$ 2,027,578</u>	<u>\$ 2,019,726</u>	<u>\$ 3,372,190</u>

Source: CAFR Schedule A-2

\* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013  
which changed Net Assets to Net Position.

**Ramsey Board of Education**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>General Fund</b>										
Reserved	\$ 908,334	\$ 1,246,660	\$ 1,174,224	\$ 1,624,145	\$ 1,390,115	\$ 2,480,607	\$ 3,445,095			
Unreserved	1,272,408	1,595,971	1,142,449	1,311,080	1,130,015	822,014	1,016,861			
Restricted								4,118,464	6,344,131	7,504,974
Committed									420,000	
Assigned								127,562	32,722	64,699
Unassigned								1,042,504	1,094,025	1,022,529
<b>Total general fund</b>	<b>\$ 2,180,742</b>	<b>\$ 2,842,631</b>	<b>\$ 2,316,673</b>	<b>\$ 2,935,225</b>	<b>\$ 2,520,130</b>	<b>\$ 3,302,621</b>	<b>\$ 4,461,956</b>	<b>\$ 5,288,530</b>	<b>\$ 7,890,878</b>	<b>\$ 8,592,202</b>
<b>All Other Governmental Funds</b>										
Reserved	\$ 3,248,150	\$ 14,842,312	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	24,091,894	4,666,713	5,700,341	315,548	47,084	47,084	45,683	106,593	106,593	106,593
Debt service fund	83,027	385,670	577,233	559,746	290,041	22,335	19,345	22,947	8,032	118,513
Permanent fund	-	-	-	-	-	-	-	-	-	-
<b>Total all other governmental funds</b>	<b>\$ 27,423,071</b>	<b>\$ 19,894,695</b>	<b>\$ 6,277,574</b>	<b>\$ 875,294</b>	<b>\$ 337,125</b>	<b>\$ 69,419</b>	<b>\$ 65,028</b>	<b>\$ 129,540</b>	<b>\$ 114,625</b>	<b>\$ 225,106</b>

Source: CAFR Schedule B-1

**Ramsey Board of Education**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Revenues</b>										
Tax levy	\$ 33,676,660	\$ 36,734,950	\$ 38,308,544	\$ 41,201,779	\$ 42,832,966	\$ 44,055,282	\$ 45,799,326	\$ 48,736,464	\$ 49,511,517	\$ 50,087,164
Tuition charges	1,646,353	1,616,382	1,573,144	1,667,528	1,330,514	1,726,885	1,690,798	1,547,116	1,510,925	1,329,177
Transportation fees	31,727	28,995	26,951	13,301	14,081	23,916	15,830	22,297	24,562	23,677
Interest earned	24,426	92,175	143,649	174,815	163,313	68,529	39,893	51,977	185	216
Other Local Revenue	82,936	131,066	64,376	121,476	52,217	876,956	232,558	357,943	33,214	37,429
State sources	5,406,110	5,637,143	6,032,572	7,552,265	7,513,801	6,064,521	5,572,289	4,217,899	5,635,968	7,094,532
Federal sources	531,551	596,465	618,990	756,755	781,995	824,293	1,515,080	917,375	941,950	852,086
Total revenue	41,399,763	44,837,176	46,968,226	51,487,919	52,688,887	53,640,382	54,865,774	55,851,071	57,658,321	59,424,281
<b>Expenditures</b>										
Instruction										
Regular Instruction	13,075,099	13,718,693	14,455,060	15,020,131	15,835,712	16,191,526	17,192,653	17,247,762	17,213,992	18,593,763
Special education instruction	3,268,668	3,502,483	3,988,999	4,490,278	4,681,491	4,786,241	4,630,808	3,912,539	3,654,051	3,813,026
Other special instruction	897,620	850,803	926,447	839,054	1,001,460	1,015,953	865,382	682,334	777,329	794,121
Other instruction	684,269	707,449	738,003	793,637	838,039	894,799	842,086	849,802	875,684	935,881
Support Services:										
Tuition	2,307,927	2,267,634	2,340,361	2,175,810	2,353,407	2,516,482	1,945,016	2,758,946	2,994,928	2,336,364
Attendance and social work services	37,879	37,879	40,556	41,774	43,168	44,177	45,225	44,137	74,196	40,645
Health services	293,961	275,211	298,739	300,730	333,112	353,605	381,027	401,583	408,930	423,031
Student & instruction related services	4,021,384	4,572,879	4,990,482	5,128,089	5,429,815	5,576,927	5,512,243	5,674,540	5,246,227	6,004,627
General administrative services	1,090,210	1,132,068	1,237,337	1,247,229	1,022,135	1,394,797	989,238	1,110,822	1,159,074	1,157,927
School Administrative services	1,699,708	1,756,572	1,925,361	1,885,035	1,882,569	2,003,181	1,750,632	1,843,531	1,880,884	1,818,342
Central services		353,886	351,014	369,167	399,437	411,991	418,446	432,114	439,942	449,197
Administrative information tech		15,500	16,000	49,956	16,980	17,460	17,460	17,460	17,460	17,460
Business administrative services	406,463									
Plant operations and maintenance	2,914,618	3,194,670	3,511,685	3,829,041	3,990,836	3,794,057	3,939,191	3,992,074	4,329,071	4,337,031
Pupil transportation	1,274,149	1,442,881	1,469,777	1,577,582	1,742,765	1,665,714	1,673,943	1,592,399	1,472,325	1,312,946
Unallocated employee benefits	4,344,339	4,787,102	5,379,646	5,774,215	6,274,272	6,563,083	7,620,214	8,113,738	8,014,412	7,255,936
TPAF Pension / Social Security	2,626,141	2,953,638	3,386,324	4,865,451	4,897,722	3,195,812	3,233,976	3,248,520	3,883,306	5,096,104
Special Schools			-	-	-	-	-	-	-	-
Capital outlay	549,652	52,488	39,583	91,321	55,752	59,913	92,249	460,295	52,910	1,775,773
Special Revenue Fund										
Debt service:										
Principal	415,000	1,180,000	1,235,000	1,295,000	1,355,000	1,405,000	1,460,000	1,580,000	1,650,000	1,925,000
Interest and other charges	356,728	1,373,451	1,246,836	1,197,939	1,224,900	1,234,879	1,101,041	997,389	926,167	525,302
Total expenditures	40,263,815	44,175,287	47,577,210	50,971,439	53,378,572	53,125,597	53,710,830	54,959,985	55,070,888	58,612,476
Excess (Deficiency) of revenues over (under) expenditures	1,135,948	661,889	(608,984)	516,480	(689,685)	514,785	1,154,944	891,086	2,587,433	811,805

**Ramsey Board of Education**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Other Financing sources (uses)</b>										
Bond proceeds			274,589							
Transfers in	83,027	302,643		285,159		17,450	74,048	192,564	185	1,440,116
Transfers out	-	-		(200,574)	4,885	(17,450)	(74,048)	(192,564)	(185)	(1,440,116)
Total other financing sources (uses)	83,027	302,643	274,589	84,585	4,885	-	-	-	-	-
Net change in fund balances	\$ 1,218,975	\$ 964,532	\$ (334,395)	\$ 601,065	\$ (684,800)	\$ 514,785	\$ 1,154,944	\$ 891,086	\$ 2,587,433	\$ 811,805
Debt service as a percentage of noncapital expenditures	1.9%	5.8%	5.2%	4.9%	4.8%	5.0%	4.8%	4.7%	4.7%	4.3%

**Ramsey Board of Education**  
**General Fund Other Local Revenue by Source**  
**Last Ten Fiscal Years**  
**Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Transportation Fees	Tuition Revenue	Rentals	Refund of		Cancellation of Prior Year Payable	Misc.	Total
					Prior year Expenses	Expenses			
2004	24,426	31,727	1,646,353	27,844				55,092	1,785,442
2005	92,175	28,995	1,616,382	23,730	32,508			74,828	1,868,618
2006	143,649	26,951	1,573,144	23,670				40,706	1,808,120
2007	174,815	13,301	1,667,528		23,329			98,147	1,977,120
2008	163,313	14,081	1,330,514		20,668			31,549	1,560,125
2009	66,204	23,916	1,726,885		191,583	613,138		57,110	2,678,836
2010	37,998	15,830	1,690,798		95,738			136,820	1,977,184
2011	50,075	22,297	1,547,116		70,100			93,709	1,783,297
2012		24,562	1,510,925					28,969	1,564,456
2013		23,677	1,329,177					22,202	1,375,056

Source: District Records

**Ramsey Board of Education**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities *	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)	% of Net Assessed to Estimated Full Cash Valuations
2004	\$ 41,063,700	\$2,098,292,300	\$ 567,500	\$ 2,300	\$ 420,091,200	\$ 126,605,100	\$ 15,103,500	\$2,701,727,600	\$ -	\$ 10,713,396	\$2,712,440,996	1.286	\$2,539,910,325	106.79%
2005	\$ 39,670,800	\$2,116,832,400			\$ 419,457,400	\$ 124,301,100	\$ 15,103,500	\$2,715,365,200	\$ -	\$ 10,201,272	\$2,725,566,472	1.377	\$2,874,999,400	94.80%
2006	\$ 39,249,900	\$2,141,733,500			\$ 421,916,900	\$ 123,671,100	\$ 14,643,500	\$2,741,214,900	\$ -	\$ 8,139,736	\$2,749,354,636	1.447	\$3,253,420,657	84.51%
2007	\$ 35,772,800	\$2,155,684,500			\$ 432,632,100	\$ 123,671,100	\$ 14,643,500	\$2,762,404,000	\$ -	\$ 8,041,552	\$2,770,445,552	1.555	\$3,813,894,795	72.64%
2008	\$ 46,368,500	\$2,174,431,500			\$ 434,209,900	\$ 116,661,200	\$ 14,643,500	\$2,786,314,600	\$ -	\$ 7,737,523	\$2,794,052,123	1.556	\$3,562,143,515	78.44%
2009	\$ 43,098,900	\$2,206,335,300			\$ 438,558,400	\$ 110,771,900	\$ 14,643,500	\$2,807,409,000	\$ -	\$ 8,802,794	\$2,816,211,794	1.599	\$3,808,264,765	73.95%
2010	\$ 39,244,200	\$2,217,284,100	\$ 787,700	\$ 60,600	\$ 437,542,800	\$ 110,271,900	\$ 14,643,500	\$2,819,834,800	\$ -	\$ 8,679,688	\$2,828,514,488	1.671	\$3,820,525,750	74.03%
2011	\$ 36,287,300	\$2,227,238,000	\$ 787,700	\$ 60,600	\$ 443,851,600	\$ 109,771,900	\$ 14,643,500	\$2,832,640,600	\$ -	\$ 8,679,688	\$2,841,320,288	1.729	\$3,702,343,039	76.74%
2012	\$ 30,368,200	\$2,232,674,400	\$ 787,700	\$ 60,600	\$ 443,870,300	\$ 116,220,700	\$ 14,643,500	\$2,838,625,100	\$ -	\$ 9,447,502	\$2,848,072,602	1.748	\$3,532,621,934	80.62%
2013	\$ 27,718,500	\$2,237,051,300	\$ 787,700	\$ 60,000	\$ 442,433,100	\$ 115,536,600	\$ 14,643,500	\$2,838,231,300		\$ 84,100	\$2,838,315,400	1.752	\$3,386,000,514	83.83%

Source: Municipal Tax Assessor

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

<sup>a</sup> Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies<sup>b</sup> Tax rates are per \$100

Exhibit J-7

**Ramsey Board of Education  
Direct and Overlapping Property Tax Rates  
Last Ten Years**

*(rate per \$100 of assessed value)*

Fiscal Year Ended Dec. 31,	Ramsey Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	General		Total Direct	Borough of Ramsey	Bergen County	
	Obligation	Debt Service				
		<sup>b</sup>				
	Basic Rate <sup>a</sup>					
2004	1.263	0.023	1.286	0.428	0.196	1.91
2005	1.307	0.070	1.377	0.453	0.210	2.04
2006	1.379	0.068	1.447	0.477	0.218	2.14
2007	0.000	0.000	1.518	0.499	0.233	2.25
2008	1.496	0.059	1.555	0.519	0.256	2.33
2009	1.540	0.059	1.599	0.539	0.260	2.40
2010	1.578	0.093	1.671	0.558	0.265	2.49
2011	1.637	0.092	1.729	0.562	0.271	2.56
2012	1.657	0.091	1.748	0.569	0.272	2.59
2013	1.663	0.089	1.752	0.578	0.273	2.60

Source: District Records and Municipal Tax Collector

**Note:**

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

<sup>a</sup> The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

<sup>b</sup> Rates for debt service are based on each year's requirements.

**Ramsey Board of Education  
Principal Property Taxpayers  
Current Year and Nine Years Ago**

Taxpayer	2013			2004		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Gabrellian Associates	\$ 56,815,800	1	2.00%	\$ 60,085,200	1	2.23%
Commercial Realty Enterprises	\$ 32,675,000	2	1.15%	\$ 32,675,000	2	1.21%
Krisujen Realty L.P.	\$ 18,493,100	3	0.65%			
Realty Associates Fund VIII LP	\$ 15,075,600	4	0.53%			
Sopris Mgmt LLC	\$ 14,400,000	6	0.51%			
Triangle 17 Center LLC	\$ 12,860,000	7	0.45%			
Minolta Corp. C/O Tax Mgr	\$ 10,000,000	8	0.35%	\$ 23,398,600	3	0.87%
Verizon Property Tax Dept						
Adventures in Recreation, Inc.	\$ 9,125,000	9	0.32%	\$ 9,125,000	8	0.34%
Ferncroft C/O H.W. Young & Assoc., Inc.	\$ 9,002,600	10	0.32%	\$ 9,002,600	9	0.33%
Franklin Associates	\$ 15,075,600	5		\$ 17,463,100	4	0.65%
Minolta Corp. C/O Tax Mgr						
Emmes Partners				\$ 13,600,000	5	0.50%
Kislevitz, C/O Hunter Group				\$ 12,853,300	7	0.48%
Ramsey Developers LLC				\$ 13,000,000	6	0.48%
BRE/ESA Properties LLC				\$ 8,750,000	10	0.32%
Total	<u>\$ 193,522,700</u>		<u>6.29%</u>	<u>\$ 199,952,800</u>		<u>7.41%</u>

Net Assessed Valuation: \$ 2,838,231,300

\$ 2,699,432,309

Source: Municipal Tax Assessor.



Exhibit J-9

Ramsey Board of Education  
Property Tax Levies and Collections  
Last Ten Years

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2004	33,676,660	33,676,660	100.00%	
2005	36,734,950	36,734,950	100.00%	
2006	39,740,679	39,740,679	100.00%	
2007	42,061,180	42,061,180	100.00%	
2008	43,462,518	43,461,518	100.00%	
2009	45,019,071	45,019,071	100.00%	
2010	47,264,967	47,264,967	100.00%	
2011	48,736,464	48,736,464	100.00%	
2012	49,511,517	49,511,517	100.00%	
2013	50,087,164	50,087,164	100.00%	

Source: Municipal Tax Collector

Exhibit J-10

Ramsey Board of Education  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities			Business-Type Activities		Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Temporary Note Payable	Capital Leases	Total District	
2004	30,679,000	-	-	-	-	30,679,000	\$ 563
2005	29,499,000	-	-	-	-	29,499,000	\$ 520
2006	28,264,000	-	-	-	-	28,264,000	\$ 451
2007	26,969,000	-	-	-	-	26,969,000	\$ 400
2008	25,614,000	-	-	4,000,000	-	29,614,000	\$ 434
2009	24,209,000	-	-	2,500,000	-	26,709,000	\$ 423
2010	22,749,000	-	-	2,500,000	-	25,249,000	\$ 386
2011	21,169,000	-	-	2,500,000	-	23,669,000	\$ 358
2012	19,505,000	-	-	2,500,000	-	22,005,000	Not Available
2013	17,580,000	-	-	2,500,000	-	20,080,000	Not Available

Source: District CAFR Schedules I-1, I-2

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

<sup>b</sup> Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

Ramsey Board of Education  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property <sup>a</sup>	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2004	30,679,000	-	30,679,000	1.13%	\$ 563
2005	29,499,000	-	29,499,000	1.08%	\$ 520
2006	28,264,000	-	28,264,000	1.03%	\$ 451
2007	26,969,000	-	26,969,000	0.97%	\$ 400
2008	25,614,000	-	25,614,000	0.92%	\$ 375
2009	24,209,000	-	24,209,000	0.86%	\$ 383
2010	22,749,000	-	22,749,000	0.80%	\$ 347
2011	21,169,000	-	21,169,000	0.75%	\$ 320
2012	19,505,000	-	19,505,000	0.68%	Not Available
2013	17,580,000	-	17,580,000	0.62%	Not Available

**Note:** Details regarding the district's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Exhibit NJ J-6 for property tax data.

<sup>b</sup> Population data can be found in Exhibit NJ J-14.

**Ramsey Board of Education**  
**Ratios of Overlapping Governmental Activities Debt**  
**As of June 30, 2013**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable<sup>a</sup></u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct Debt of School District as of June 30, 2013</b>			<b>\$ 17,580,000</b>
<b>Net overlapping debt of School District:</b>			
Town of Ramsey	100.000%	\$ 7,560,188	
County of Bergen	2.093%	\$ 16,470,940	
<b>Subtotal, overlapping debt</b>			<b>\$ 24,031,128</b>
<b>Total direct and overlapping debt</b>			<b>\$ 41,611,128</b>

**Sources:** Ramsey Municipal Finance Officer / Bergen County Treasurer's Office

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Ramsey. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**Ramsey Board of Education  
Legal Debt Margin Information  
Last Ten Fiscal Years**

**Legal Debt Margin Calculation for Fiscal Year 2013**

	Equalized valuation basis						
	2012	2011	2010				
	\$ 3,386,000,514	\$ 3,780,004,039	3,662,123,117				
	<u>[A]</u> \$ 10,828,127,670						

**Ramsey Board of Education  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Year	Population <sup>a</sup>	Personal Income (thousands of dollars) <sup>b</sup>	Per Capita		Unemployment Rate <sup>d</sup>
			Personal Income <sup>c</sup>		
2003	14,395	\$ 736,045,140	51,132		4.20%
2004	14,414	\$ 785,015,268	54,462		4.20%
2005	14,322	\$ 812,143,332	56,706		4.20%
2006	14,465	\$ 907,158,010	62,714		2.70%
2007	14,492	\$ 976,673,848	67,394		2.40%
2008	14,530	\$ 991,338,310	68,227		3.20%
2009	14,718	\$ 930,148,164	63,198		5.70%
2010	14,490	\$ 948,892,140	65,486		5.90%
2011	14,567	\$ 962,820,432	66,096		5.80%
2012	14,727	Not Available	Not Available		5.90%

**Source:**

<sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development

<sup>b</sup> Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>c</sup> Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development

<sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Ramsey Board of Education  
Principal Employers  
Current Year and Nine Years Ago**

**Source:** Town of Ramsey

**Ramsey Board of Education**  
**Full-time Equivalent District Employees by Function/Program,**  
**Last Ten Fiscal Years**

<u>Function/Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Instruction										
Regular	246	249	252	254	253	253	248	241	239	242
Special education	38	38	41	43	43	44	42	41	41	42
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	49	49	50	50	50	48	48	48	48	48
General administrative services	5	5	5	5	5	5	5	5	5	5
School administrative services	18	18	18	18	18	18	18	18	17	17
Business administrative services	5	5	5	5	5	5	5	5	5	5
Plant operations and maintenance	37	37	37	37	37	37	37	37	37	37
Pupil transportation	5	5	5	5	5	5	5	5	5	5
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	<u>403</u>	<u>406</u>	<u>413</u>	<u>417</u>	<u>416</u>	<u>415</u>	<u>408</u>	<u>400</u>	<u>397</u>	<u>401</u>

Source: District Personnel Records



**Ramsey Board of Education  
Operating Statistics  
Last Ten Fiscal Years**

Fiscal	Enrollment	Operating	Cost Per	Percentage	Teaching	Pupil/Teacher Ratio		High School	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School					
2004	2,952	38,942,435	13,192	3.88%	284	15:1	10:6	10:6	2,952	2,827	2.39%	95.77%
2005	3,023	41,569,348	13,751	4.24%	287	13:8	10:0	10:2	3,023	2,894	2.41%	95.73%
2006	3,064	45,055,791	14,705	11.47%	293	13:1	10:1	10:6	3,064	2,948	1.36%	96.21%
2007	3,126	48,387,179	15,479	12.57%	296	11:0	10:2	10:2	3,126	3,005	2.02%	96.13%
2008	3,132	50,743,820	16,202	10.18%	296	11:0	10:3	10:0	3,131	3,004	0.16%	95.94%
2009	3,108	50,425,805	16,225	4.82%	297	12:0	10:8	10:1	3,108	2,985	-0.73%	96.04%
2010	3,102	51,057,540	16,462	6.35%	290	11:7	9:8	10:2	3,102	2,967	-0.93%	95.65%
2011	3,073	51,922,301	16,896	4.29%	282	11:2	9:5	10:3	3,057	2,928	-1.64%	95.78%
2012	3,020	52,441,811	17,365	7.03%	280	13:7	11:8	11:9	3,024	2,903	-1.08%	96.00%
2013	2,971	54,386,401	18,306	11.20%	284	13:3	10:5	11:9	2,977	2,858	-1.55%	96.00%

**Sources:** District records, ASSA and Schedules J-12, J-14

**Note:** Enrollment based on annual October district count for all students attending school facilities.

a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4

b Teaching staff includes only full-time equivalents of certificated staff

c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**Ramsey Board of Education  
School Building Information  
Last Ten Fiscal Years**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
John Y. Dater Elementary School (Grades K-)										
Square Feet	59,826	59,826	59,826	71,488	71,488	71,488	71,488	71,488	71,488	71,488
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	443	449	405	501	478	460	419	432	433	412
Mary A. Hubbard Elementary School (Grades )										
Square Feet	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	464	478	531	438	442	450	446	427	416	413
Welsey D. Tisdale Elementary School (Grades )										
Square Feet	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	546	535	503	461	440	425	443	444	455	452
<b><u>Middle School</u></b>										
Eric S. Smith Middle School (Grades 6-8)										
Square Feet	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	744	748	785	808	841	849	836	785	745	727
<b><u>High School</u></b>										
Ramsey High School (Grades 9-12)										
Square Feet	190,363	190,363	190,363	200,520	200,520	200,520	200,520	200,520	200,520	200,520
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	745	799	832	888	931	924	957	968	971	967
<b><u>Other</u></b>										
Administration Building										
Square Feet	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455

Number of Schools at June 30, 2013

Elementary = 3

Middle School = 1

High School = 1

Other = 0

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

Ramsey Board of Education  
 General Fund  
 Schedule of Required Maintenance for School Facilities  
 Last Ten Fiscal Years  
 Unaudited

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 11-000-261-XXX

School Facilities	Project # (s)	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Ramsey High School	N/A	210,818	214,032	197,365	140,332	173,601	245,786	174,760	108,641	129,769	108,463
Eric S. Smith Middle School	N/A	70,826	108,028	87,711	93,351	99,386	128,573	114,570	98,700	80,471	71,618
John Y. Dater Elementary School	N/A	105,316	100,404	117,377	84,549	91,307	112,158	182,282	87,210	48,324	42,615
Mary A. Hubbard Elementary School	N/A	107,105	111,799	87,909	96,856	144,719	88,861	113,703	74,234	48,507	40,558
Welsey D. Tisdale Elementary School	N/A	126,263	92,930	100,586	95,568	96,431	106,706	106,792	70,089	40,989	33,367
Grand Total		\$ 620,328	\$ 627,193	\$ 590,948	\$ 510,656	\$ 605,444	\$ 682,084	\$ 692,107	\$ 438,874	\$ 348,060	\$ 296,621

**Ramsey Board of Education  
Insurance Schedule  
For the Fiscal Year Ended June 30, 2013  
Unaudited**

<u>Company</u>	<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
School Alliance Insurance Fund	Property Blanket Building & Contents- Replacement Cost Values	118,351,490	2,500
	General Liability	5,000,000	
	Comprehensive Automobile Liability	5,000,000	
	Employee Benefit Liability	5,000,000	1,000
	Umbrella Liability	5,000,000	
	First Layer Catastrophe		
	Electronic Data Processing Equipment	Included in Blanket Limit	
	Boiler & Machinery - Umbrella policy	Included in Blanket Limit	
	School Board Legal Liability - Directors and Officers Policy	5,000,000	15,000
	Student Accident Liability		
	Public Employees' Faithful Performance Blanket		
	Position Bond - Treasurer of School Moneys		
	Position Bond - Board Secretary		
	Position Bond - Assistant Board Secretary		
	Blanket Dishonesty Bond	500,000	1,000

Source: District Records

## **SINGLE AUDIT SECTION**

# Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkottz, CPA, RMA  
James J. Cerullo, CPA, RMA  
Paul J. Cuva, CPA, RMA  
Thomas M. Ferry, CPA, RMA

Certified Public Accountants  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442  
973-835-7900  
Fax 973-835-6631

Newton Office  
100B Main Street  
Newton, N.J. 07860  
973-579-3212  
Fax 973-579-7128

K-1

Page 1 of 2

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable President and  
Members of the Board of Education  
Borough of Ramsey School District  
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 22, 2013.

## ***Internal Control Over Financial Reporting***

In planning and performing our audit on the financial statements, we considered the Borough of Ramsey Board of Education's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Ramsey Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Ramsey Board of Education's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**FWCC**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.


### ***Compliance and Other Matters***


As part of obtaining reasonable assurance about whether the Borough of Ramsey Board of Education's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Borough of Ramsey School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated November 22, 2013.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Steven D. Wielkocz, C.P.A.  
Licensed Public School Accountant  
No. 816

  
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 22, 2013



# Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkottz, CPA, RMA  
James J. Cerullo, CPA, RMA  
Paul J. Cuva, CPA, RMA  
Thomas M. Ferry, CPA, RMA

Certified Public Accountants  
401 Wanaque Avenue  
Pompton Lakes, New Jersey 07442  
973-835-7900  
Fax 973-835-6631

Newton Office  
100B Main Street  
Newton, N.J. 07860  
973-579-3212  
Fax 973-579-7128

**K-2**  
Page 1 of 3

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS** **APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL** **CONTROL OVER COMPLIANCE IN ACCORDANCE WITH** **OMB CIRCULAR A-133 AND N.J. OMB CIRCULAR 04-04**

Honorable President and  
Members of the Board of Education  
Borough of Ramsey School District  
County of Bergen, New Jersey

### **Report on Compliance for Each Major Federal and State Program**

We have audited the Board of Education of the Borough of Ramsey School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Ramsey Board of Education's major federal and state programs for the year ended June 30, 2013. The Borough of Ramsey Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal and state programs.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the Borough of Ramsey Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and N.J. OMB Circular 04-04 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct





and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Ramsey Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Borough of Ramsey Board of Education's compliance.

### ***Opinion on Each Major Federal and State Program***

In our opinion, the Borough of Ramsey Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2013.

### **Report on Internal Control Over Compliance**

Management of the Borough of Ramsey Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of Ramsey Board of Education's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and N.J. OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Borough of Ramsey Board of Education's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal and state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133 and N.J. OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133**

We have audited the financial statements of the Borough of Ramsey Board of Education as of and for the year ended June 30, 2013, and have issued our report there dated November 22, 2013 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and N.J. OMB Circular 04-04 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.



Steven D. Wielkotz, C.P.A.  
Licensed Public School Accountant  
No. 816



FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.  
Certified Public Accountants  
Pompton Lakes, New Jersey

November 22, 2013

## BOROUGH OF RAMSEY SCHOOL DISTRICT

## Schedule of Expenditures of Federal Awards

For the Fiscal Year ended June 30, 2013

Federal Grantor/Pass-through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2012	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance at June 30, 2013		MEMO Cumulative Total Expenditures
				From	To							(Accounts Receivable)	Due to Grantor at	
<b>General Fund:</b>														
Special Education Medicaid Initiative	93.778		4,215	7/1/2012	6/30/2013			4,215	4,215					* 4,215
<b>Total General Fund</b>								4,215	4,215					* 4,215
<b>US Department of Education</b>														
Passed Through State Dept of Education:														
Special Revenue Fund														
Title I, Part A	84.010	NCLB431013	39,954	9/1/12	8/31/13			22,926	39,954			(17,028)		* 39,954
								22,926	39,954			(17,028)		* 39,954
<b>Title II, Part A, Teacher/Principal Training and Recruiting</b>														
Title II, Part A, Teacher/Principal Training and Recruiting	84.367	NCLB431013	56,219	9/1/12	8/31/13			52,546	56,219			(3,673)		* 56,219
						(12,502)		12,502						* 60,725
	84.367	NCLB431012	60,725	9/1/11	8/31/12	(12,502)		63,048	56,219			(3,673)		* 116,944
<b>IDEA, Part B-Basic</b>														
IDEA, Part B-Basic	84.027	IDEA431013	719,408	9/1/12	8/31/13			33,012	719,408			(719,408)		* 719,408
IDEA, Part B-Basic	84.027	IDEA431012	729,741	9/1/11	8/31/12	(33,012)								* 729,741
IDEA, Part B-Preschool	84.173	IDEA431013	32,290	9/1/12	8/31/13				32,290			(32,290)		* 32,290
IDEA, Part B-Preschool	84.173	IDEA431012	32,449	9/1/11	8/31/12	(11,609)		11,609						* 32,449
						(44,621)		44,621	751,698			(751,698)		* 1,313,888
						(57,123)		132,595	847,871			(772,399)		* 1,670,786
<b>Total Special Revenue Fund</b>														
<b>US Department of Agriculture</b>														
Passed Through State Dept of Education:														
Enterprise Fund														
Food Distribution Program	10.550	N/A	29,446	7/1/12	6/30/13			29,446	29,446					* 29,446
National School Lunch Program	10.555	N/A	60,273	7/1/12	6/30/13			54,932	60,273			(5,341)		* 60,273
National School Lunch Program	10.555	N/A	61,778	7/1/11	6/30/12	(4,799)		4,799						* 61,778
						(4,799)		89,177	89,719			(5,341)		* 151,497
<b>Total Enterprise Fund</b>								225,987	941,805			(777,740)		* 1,826,498
<b>Total Federal Financial Assistance</b>														

**BOROUGH OF RAMSEY SCHOOL DISTRICT**  
**Schedule of Expenditures of State and Local Financial Awards**  
**Year ended June 30, 2013**

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2012			Balance at June 30, 2013			Memo								
			From	To	Deferred Revenue (Accts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments		Repayment of Prior Years' Balances	(Accounts Receivable)	Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expenditures		
State Department of Education: General Fund																			
Transportation Aid	13-495-034-5120-014	\$ 80,086	7/1/2012	6/30/2013	\$														
Special Education Categorical Aid	13-495-034-5120-089	1,119,069	7/1/2012	6/30/2013															
Security Aid	13-495-034-5120-084	41,421	7/1/2012	6/30/2013															
Extraordinary Aid	13-495-034-5120-044	516,136	7/1/2012	6/30/2013															
Extraordinary Aid	12-495-034-5120-044	589,373	7/1/2011	6/30/2012			(589,373)												
Non Public Transportation	13-495-078-6060-034	11,600	7/1/2012	6/30/2013															
Non Public Transportation	12-495-078-6060-034	9,770	7/1/2011	6/30/2012			(9,770)												
NTE Homeless Reimbursement	07-100-029-6060-034	5,460	7/1/2006	6/30/2007			(771)												
Reimbursed TPAF Social Security	13-495-034-5095-051	1,781,681	7/1/2012	6/30/2013															
On Behalf TPAF Pension - Post Retirement	13-495-034-5095-001	1,555,521	7/1/2012	6/30/2013															
On Behalf TPAF NCGI Premium	13-495-034-5095-001	1,758,902	7/1/2012	6/30/2013															
Total General Fund							(599,914)												
Special Revenue Fund																			
Distance Learning Network Aid	N/A		7/1/2007	6/30/2008			2,772												
NJ NonPublic Aid:																			
Textbook Aid	13-100-034-5120-064	43,593	7/1/2012	6/30/2013															
Technology Aid	13-100-034-5120-373	16,088	7/1/2012	6/30/2013															
Nursing Services	13-100-034-5120-070	60,506	7/1/2012	6/30/2013															
Handicapped Services:																			
Exam & Classification	13-100-034-5120-066	81,697	7/1/2012	6/30/2013															
Exam & Classification	12-100-034-5120-066	71,332	7/1/2011	6/30/2012															
Corrective Speech	13-100-034-5120-066	20,311	7/1/2012	6/30/2013															
Corrective Speech	12-100-034-5120-066	17,377	7/1/2011	6/30/2012															
Supplementary Inst.	13-100-034-5120-066	26,366	7/1/2012	6/30/2013															
Supplementary Inst.	12-100-034-5120-066	28,763	7/1/2011	6/30/2012															
Auxiliary Services:																			
Compensatory Education	13-100-034-5120-067	76,919	7/1/2012	6/30/2013															
Compensatory Education	12-100-034-5120-067	71,008	7/1/2011	6/30/2012															
English as a Second Language	13-100-034-5120-067	1,705	7/1/2012	6/30/2013															
English as a Second Language	12-100-034-5120-067	3,793	7/1/2011	6/30/2012															
Total Special Revenue Fund							2,772												

### Schedule of Expenditures of State and Local Financial Awards

Year ended June 30, 2013

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Balance at June 30, 2012				Balance at June 30, 2013				Memo						
			Grant Period From To	Deferred Revenue (Accts Receivable)	Due to Grantor	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances		(Accounts Receivable)	Revenue/ Interfund Payable	Due to Grantor at	Budgetary Receivable	Cumulative Total Expendures	
Capital Projects Fund																	
State School Building Aid - EDA Grant																	
High School Building Renovation Project	SP # 202361	204,436		(40,887)								(40,887)		*	*		204,436
Tideale Elementary School Building Additions	SP # 202324	367,522		(365,684)								(365,684)		*	*		365,684
Mary A. Hubbard Elementary School Building Additions & Renovations	4310-070-03-1049	309,491		(57,588)								(57,588)		*	*		309,491
Eric S. Smith Middle School Building Additions & Renovations	4310-055-03-1048	1,194,641		(1,069,204)								(1,069,204)		*	*		1,194,641
Ramsey High School Building Additions & Renovations	4310-050-03-1051	552,603		(496,321)								(496,321)		*	*		552,603
John Y. Dater Elementary School Additions, Renovation & Construction of New School	4310-060-03-1050	3,706,560		(3,317,371)								(3,317,371)		*	*		3,706,560
Ramsey High School Building Partial Roof Replacement	4190-050-05-1000-NIE	98,116		(98,116)								(98,116)		*	*		98,116
Ramsey High School PEC Sprinkler Systems	4310-050-090-1001-GM2	41,384		(35,600)								(35,600)		*	*		35,600
Ramsey High School Partial Room Replacement and HVAC Upgrades	4310-050-09-1001-G0PB	127,108		(86,501)								(86,501)		*	*		86,501
Total Capital Projects Fund				(5,567,272)								(5,567,272)		*	*		6,553,632
Enterprise Fund														*	*		
State Department of Agriculture														*	*		
National School Lunch Program (State Share)	13-100-010-3350-023	4,196	7/1/2012	6/30/2013						3,591		(605)		*	*		4,196
National School Lunch Program (State Share)	12-100-010-3350-023	5,120	7/1/2011	6/30/2012						398				*	*		5,120
Total Enterprise Fund										3,989		(605)		*	*		9,316
Total State Financial Assistance										7,079,083		(6,180,311)		*	*		16,224,922

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Borough of Ramsey School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 2. BASIS OF ACCOUNTING**

The accompanying Schedules of Expenditures of Federal and State Awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ in amounts presented in or used in the preparation of the basic financial statements.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(49,106) for the general fund and \$-0- for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$4,215	\$6,815,310	\$6,819,525
Special Revenue Fund	847,871	279,222	1,127,093
Food Service Fund	<u>89,719</u>	<u>4,196</u>	<u>93,915</u>
Total Financial Awards	<u>\$941,805</u>	<u>\$7,098,728</u>	<u>\$8,040,533</u>

**NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

Amounts reported in the accompanying schedules agree with the amounts reported in the related federal and state financial reports.

**NOTE 5. OTHER**

Revenues and expenditures reported under the U.S.D.A. Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2013.

**BOROUGH OF RAMSEY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

***Section I - Summary of Auditor's Results***

**Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

1. Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes X none reported

2. Material weakness(es) identified? \_\_\_\_\_ yes X no

Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes X no

**Federal Awards**

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes X none reported

2. Material weakness(es) identified? \_\_\_\_\_ yes X no

Type of auditor's report issued on compliance for major programs: unmodified

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? \_\_\_\_\_ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027/84.173</u> (A)	<u>IDEA, Part B-Basic/IDEA, Part B-Preschool</u>

Note: (A) - Tested as Major Type A Program.

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? X yes \_\_\_\_\_ no



**BOROUGH OF RAMSEY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013  
(continued)**

## Section I - Summary of Auditor's Results, (continued)

## State Awards

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee?     X     yes          no

Type of auditor's report issued on compliance for major programs: unmodified

Internal Control over major programs:

1. Significant deficiencies identified that are not considered to be material weaknesses? \_\_\_\_\_ yes        X   none reported
2. Material weakness(es) identified? \_\_\_\_\_ yes        X   no

Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular Letter 04-04? \_\_\_\_\_ yes     X     no

Identification of major programs:

<u><b>GMIS Number(s)</b></u>	<u><b>Name of State Program</b></u>
<u>495-034-5095-002</u>	(A) <u>Reimbursed TPAF Social Security Contribution</u>
<u>495-034-5120-089/ 495-034-5120-017/ 495-034-5120-084</u>	(A) <u>Special Education Categorical Aid/ Transportation Aid/Security Aid</u>
<u>100-034-5120-066</u>	(B) <u>Nonpublic Handicapped Aid (Chapter 193)</u>

Note: (A) - Tested as Major Type A Program.

Note: (B) - Tested as Major Type B Program.

## Section II - Financial Statement Findings

None

### ***Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs***

None

**BOROUGH OF RAMSEY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

**STATUS OF PRIOR YEAR FINDINGS**

None